



Hongkong Daily Press.

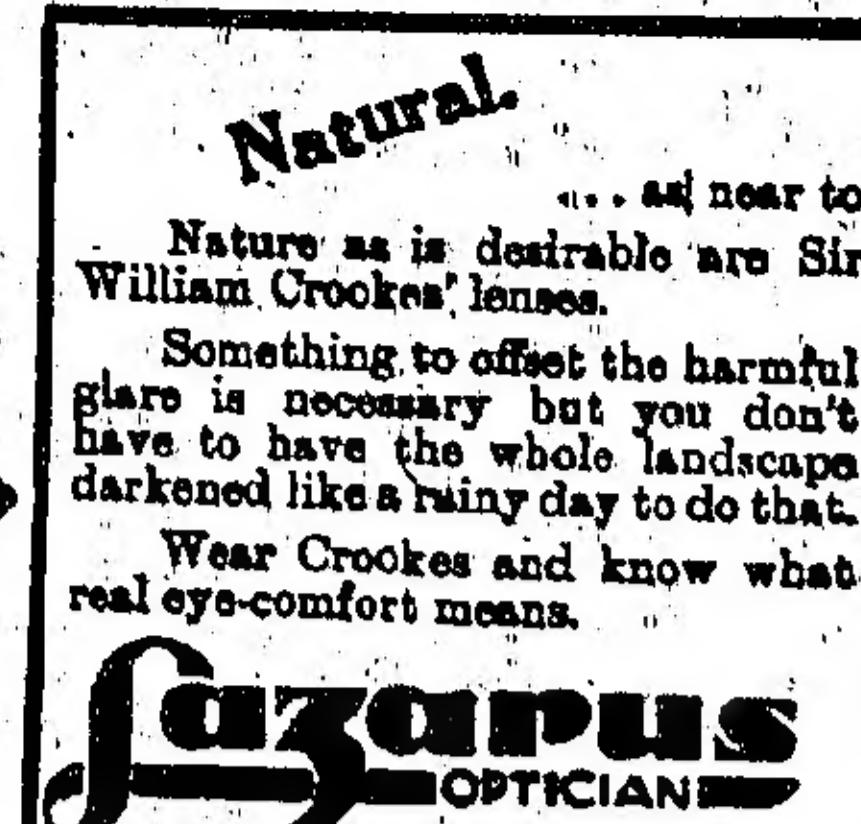
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HONGKONG, FRIDAY, MARCH 15, 1940.

日伍拾月壹年拾肆仔伍萬式第

Price Single Copy: 10 cents.
Per Month: \$3.00.

IMMEDIATE GIFT OF £100,000 TO BRITAIN FROM HONGKONG FOR PROSECUTION OF WAR APPROVED BY LEGISLATIVE COUNCIL

AFTER 30 HOURS

Wanchai Fire Subdued

After nearly 30 hours the appliances were able to return to their stations last night when the fire at the Kwong Sang Hong godown, in Wanchai, was finally subdued and the surrounding buildings were considered to be out of danger.

That section of Hennessy Road which was closed to traffic since the fire broke out on Wednesday afternoon was re-opened at 10 o'clock last night.

Although all the fire engines have left the scene, a few firemen are remaining on duty and it is expected that the still faintly smouldering embers will need their attention for another day or two.

CAUSE UNKNOWN

The cause of the fire is as yet unknown as there was nobody in the godown at the time it was first noticed and the doors were locked.

It is understood that the contents of the godown, mostly articles for manufacturing perfume, was insured for \$1,000.

Stories current in town that a fireman was seriously injured, were discounted both by the Police and the Fire Brigade who disclaimed any knowledge of such an accident.

NAZI SHIP SINKS OFF JUTLAND

Special to H.K. Daily Press
COPENHAGEN, Mar. 14 (Hayas) — The German steamer Schenckheim (5,800 tons) sank off Jutland today while on her way from Oslo to Bremen.

Twenty-three members of the crew were picked by a Danish vessel while eight are missing.

JAPANESE MAIL SEIZURE

TOKYO, Mar. 14 (Reuter) — According to official information reaching the Foreign Office, says the Domei News Agency, the French Government has informed the Japanese authorities that mails seized from the Bangkok Maru will be returned except those containing military information.

"NOT A WORD" WELLES LEAVES LONDON: WILL SEE FRENCH MINISTERS

Mr. Sumner Welles, President Roosevelt's special European observer, left Hendon by air for Paris yesterday morning being seen off by the American Ambassador, Mr. Joseph Kennedy, and Lord Halifax's Private Secretary, Mr. O. C. Harvey, says British Wireless.

According to Reuter, Mr. Welles will again confer with French Ministers before going on to Rome.

He paid a second visit to Mr. Chamberlain on Wednesday night, and had dinner at No. 10 Downing Street.

Complete reserve, which marked Mr. Welles' tour in Europe, was maintained and when he was asked by a journalist to break his silence by saying whether he enjoyed his visit to Britain, Mr. Welles replied: "Not a word, not a word."

Mr. Welles will again talk with Signor Mussolini and Count Ciano. It is expected that he will be back in Washington at the end of March.

Reuter's diplomatic correspondent understands that the main feature of Mr. Welles' report to President Roosevelt will consist of recapitulation of the minimum terms on which the Allies and Germany might be

prepared to conclude peace, together with an outline of Italy's post-war aspirations.

Many neutral journalists, who followed Mr. Welles' tour, believe that the facts he gathered will likely incline President Roosevelt towards making a plea for negotiation of peace.

In assessing the possibilities of such an action, account must be taken of the influence exerted by the domestic and political situation in the United States.

Construction Of Ships In Colony For Admiralty

The immediate gift to His Majesty's Government of £100,000 as a monetary contribution from Hongkong towards the prosecution of the war with Germany was unanimously approved by the Legislative Council, which met yesterday with His Excellency the Governor, Sir Geoffrey Northcote, presiding.

The Council also approved the expenditure, within the current and next financial year, of \$5,000,000 on the construction in Hongkong of vessels to be presented to the Admiralty and the War Department as part of the Colony's contribution towards the carrying on of the war.

The two resolutions were introduced by the Financial Secretary, the Hon. Mr. H. R. Butters, who also moved the first and second readings of the War Revenue Bill. Standing orders were, by unanimous consent, disregarded in order that the Bill could be read a second time at the same session. The Bill was then referred to the Standing Law Committee for consideration before passage.

(SEE PAGE TWO)

Woodring To Testify

SUPPLY OF U.S. WAR PLANES TO ALLIES

WASHINGTON, Mar. 14 (Reuter) — The United States War Secretary, Mr. Harry H. Woodring, will be the first witness today at the investigation initiated by the House of Representatives' Military Sub-Committee into the Administration's policy of supplying the Allies with war planes.

President Roosevelt yesterday conferred with aviation experts from the Defence Forces on the extent to which foreign orders might be held to build American capacity for aeroplane construction and thereby strength the United States defence.

The Assistant War Secretary, Mr. Johnson, told reporters that he was opposed to any side-tracking of American orders in favour of the Allies and revealed that the United States had already signed a contract for a "definitely superior" type of fighter plane.

YOUNG LEADERS

Miss Russell observed that the leaders of the co-operatives were young men fit for the positions and had fought hard against opposition to establish the firm foundation for the movement.

The speaker stressed that what was now needed by the movement was rapid growth.

Sir Robert Kotewall thanked the speaker on behalf of those present.

UNEMPLOYMENT BENEFIT

LONDON, Mar. 14 (Reuter) — The advance in Unemployment Benefit of one shilling to four shillings a week for each of the first two dependent children is recommended to take effect on April 15 by the Unemployment Insurance Statutory Committee in a report issued today.

This would cost over \$1,000,000 a year.

prepared to conclude peace, together with an outline of Italy's post-war aspirations.

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HERR HITLER EXPECTED TO FORCE MILITARY DECISION ON WESTERN FRONT BEFORE END OF THE YEAR

Railways Commandeered: Feverish Hospital Erections



Dr. Ryti, Prime Minister of Finland.

TUNG WAH HOSPITAL EXPENSES

GOVERNOR ON GRANT

AMSTERDAM, Mar. 14 (Reuter) — With the end of the Finnish war, it is believed that Herr Hitler means to force a military decision on the Western Front before the end of the year.

It is reported that preparations for a big offensive have been going on throughout the winter all over the Reich.

It became known this week that the German Army and "vital" industries-war industries—have virtually commandeered the railways for the next two months.

It is thought that this may well portend the transport of masses of men and material to areas decided on for attack.

Military hospitals are being feverishly erected.

A Reuter message from Helsinki states that as the seriousness of the military situation is gradually becoming known, it is increasingly apparent that Finland could do little else but make peace.

In South Finland, the Russians had progressed so far over the ice that coastal batteries east of Helsinki were put out of action.

It is understood that the Prime Minister, Dr. Ryti, received guarantees from his Parliamentary colleagues before he went to Moscow so, no doubt, the Diet will ratify the agreement.

KARELIAN REPUBLIC

STOCKHOLM, Mar. 14 (Reuter) — According to the Moscow correspondent of the Aftonbladet, Russia is to create a Karelian Republic on the Isthmus ceded by Finland.

Viborg will be the capital and posts in the Government will be given to Finnish Communists now living in Russia.

FREE DOMINION INTACT

HELSINKI, Mar. 14 (Reuter) — The Finnish President, M. Kallio, expressed confidence in Finland's future because her freedom is still intact and her Army stood ready to protect her existence.

The President hoped that the Free Press Journal declares that the shooting rendered a distinct disservice to the cause of freedom in India as Sir Michael O'Dwyer died as a martyr.

The Premier of Bengal said: "The whole civilised world and not merely India stands aghast at this terrible tragedy."

DEEP SYMPATHY

NEW DELHI, Mar. 14 (Reuter) — The Leader of the Opposition in the Council of State, moved a resolution condemning the attack on Sir Michael O'Dwyer and requesting the President to convey the deep sympathy of the House towards Lord Zetland.

Other Party Leaders and members associated themselves with the resolution and expressed profound horror at the shooting.

MAN REMANDED

LONDON, Mar. 14 (Reuter) — Mahomed Azad, 37, described as an engineer residing in London, was charged at Bow Street with feloniously murdering Sir Michael O'Dwyer and was remanded in custody for one week after formal evidence had been taken.

The Police said that Azad told them: "I did not mean to kill him. I just did it to protest. I did not mean to kill anybody."

Lord Zetland, Sir Louis Dane, former Lieutenant-Governor of Punjab, and Lord Lamington, former Governor of Bombay, were injured.

The present Governor of the Punjab is Sir Henry Crake who was Chief Secretary, Punjab, from 1922 to 1927.

SCREAM OF SHELLS ON FINNISH FRONT HUSHED AS CEASE FIRE ORDER IS ISSUED

STOCKHOLM, Mar. 14 (Reuter) — It is reported from Helsinki that the Finnish troops were astonished when they got the order to "Cease Fire," as most of them had not heard that a peace agreement had been signed.

As the scream of shells died down on the Isthmus, the silence was almost uncanny. For many of the men, the coming peace meant that, for the moment, there was a chance to "see."

On the Isthmus they have been holding their posts practically without sleep for months, and

PETITION TO SAVE PTE. ECKFORD FROM THE GALLOWS

SHANGHAI, Mar. 14 (Reuter) — Many signatures of British and American residents were obtained yesterday for a petition to Sir Archibald Clark-Kerr, asking that he commute the death penalty to life imprisonment for Private David Eckford, of the Seaford Highlanders, who was sentenced to hang for the murder of Lance Corp. James Davies, also of the Seafords.

The grounds of petition are the youth of the condemned man, his previous good record, and the abnormal service conditions under which British soldiers have to work in the North Defence Sector of Shanghai, in which district the murder occurred.

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SPEECH BY MR. BUTTERS

Financial Secretary's Speech

(Continued from Page 1)

In moving the first reading of the Bill, the Financial Secretary said: Your Excellency.—When in connection with the budget for the current financial year the proposal was mooted in this Council to impose new taxation to raise additional revenue for war purposes during the present emergency, the form of taxation contemplated by Government met with general disapproval from the Unofficial Members of this Council, although there was a corresponding unanimity in agreeing that additional revenue should be raised to enable this Colony as a part, however small, of the Empire to bear its share of the expenditure incurred in furthering the common cause. That unanimity was fittingly expressed at the meeting of this Council last Thursday by the Honourable Senior Unofficial Member in supporting the resolution that a Bill on the lines of that drafted by the War Revenue Committee should be introduced.

That very representative Committee, which included several Unofficial Members of this Council, was appointed by Your Excellency with terms of reference which finally became:

(1) To examine the draft Income Tax Bill and advise on the detailed provisions which would be desirable in such a measure if it were adopted, having regard to the special circumstances of this Colony; and

(2) To advise whether the best method of raising additional revenue for war purposes would be such an Income Tax or, alternatively, any other measure or measures of taxation of which the incidence would be substantially on the same classes of the community as an Income Tax and which could not be passed on to the poorer classes.

NO MODIFICATION

The present Bill is the Bill as prepared by the Committee, with certain verbal alterations which are set out in the Table of Variation. No radical modification has been made: nothing has been added to or subtracted from the recommendations of the War Revenue Committee, and the temporary nature of the measure is made clear by the provision that no tax shall be collectable in any year of assessment subsequent to the year of assessment in which the war is terminated.

As explained by the Committee in their Report the combination of taxes proposed constitutes a partial income tax freed of certain complications owing to its limited scope and designed to meet the objections of those prominent among whom were the Chinese Members of this Council, who deprecated inquiry or inquisition into personal circumstances, particularly of partnerships, inevitable in income tax proper which is based on the assessment of individual capacity to pay.

The Bill also avoids the danger of double taxation by excluding from taxation income which is liable to income tax in the United Kingdom or any other part of the British Empire, and by exempting corporations the whole of whose profits are liable to such taxation; also taxation under the Bill is confined to profits made in the Colony.

FOUR TAXES

The Bill contains four taxes. A Property Tax of 5 per cent per annum on the rateable value of land or buildings as assessed for rating purposes. And here I should explain that as the Rating Ordinance, 1901, prescribes a tax to be borne by the occupier it has been considered necessary to indicate clearly that the Property Tax is intended as a tax to be charged on and borne by the owner, which I think is in accord with the views of the War Revenue Committee.

The purpose of this amendment is to prevent the passing on of the tax as it makes clear that the certificates of fair rent issued under Section 6 of the Prevention of Eviction Consolidation and Amendment Ordinance, 1939, cannot take into consideration a tax definitely described as to be borne by the owner. I am authorized to state that if any attempt is made generally to pass on the Property Tax to tenants Government is prepared to introduce such

legislation as may be considered necessary to prevent this.

SALARIES TAX

The second tax is a Salaries Tax on nearly all salaries and pensions derived from employment in the Colony. The first \$5,000 of the taxable income after deduction of personal and family allowances will be chargeable at 4 per cent; and thereafter a 10 per cent rate will apply. No abatement in respect of life insurance premiums was recommended by the Committee.

The third and fourth taxes are respectively a Corporation Profits Tax on profits made in the Colony of companies registered in Hongkong at a rate of 10 per cent without any abatement; and a Business Profits Tax on profits made in the Colony from all businesses and professions which is levied on the business and not on individual persons so that no inquiry as to the ownership of the business and the division of the profits is involved.

There is, in the circumstances, no deduction in respect of personal and family allowances and the rate proposed is, after a general exemption up to \$10,000 per annum, 5 per cent on the excess over \$10,000 up to \$100,000 and 10 per cent on the excess over \$100,000.

I think I am correct in saying that the Committee regarded these taxes not so much as four separate taxes, but as four forms of one tax and that the acceptability of that one tax depended on grounds of equity on the acceptability of each of its component parts.

GUESS WORK

The Committee offered no estimate of the revenue expected to be raised by their Bill and in the nature of things such an estimate must be largely guess work, but Mr. Caine, who was largely responsible for framing the original draft of the Bill, suggested that Salaries Tax might produce \$1,000,000 and Corporation and Business Profits Taxes together \$3,000,000, while the receipts from the Property Tax are calculable in the neighbourhood of \$2,000,000.

How it is proposed to devote this revenue to the prosecution of the war will be explained in part when the first resolution standing in my name is moved, and full details are given in the application for the necessary supplementary votes which will be submitted to Finance Committee this afternoon.

The Government has accepted the recommendations of the War Revenue Committee and the bill which I am asking to have read today for the first time is a Government measure. It is, however, just and proper that I should state at this juncture that in the Government's view the taxation scheme framed in the bill will not be as equitable or as efficient a means of raising revenue as would be an income-tax measure on the lines which you, Sir, and your advisers had in contemplation a few months ago.

PURPOSE OF BILL

It may seem anomalous that an Administration, with a competent majority in the Legislature, should deliberately promote one measure believing another to be its superior, but the explanation is not far to seek.

This bill's principal purpose is to finance a not inconsiderable free gift from public funds to His Majesty's Government, and in such a case it would be improper to force upon the would-be donors by the use of that majority a taxation method to which the unofficial members of this Council had objected strongly and unanimously.

I trust that we will see fulfilled the hope expressed by the Committee that, in view of the purpose for which the proceeds of these four taxes are to be used, there will be no attempt at evasion; and I wish to assure the public that officers of the War Taxation Department will regard it as their duty to help and advise them in assessing their individual shares of the voluntary contribution which the Colony is making to His Majesty's Government towards the prosecution of the war with Germany.

I beg to move that the War Revenue Bill be read a first time.

HON. MR. M. K. LO

The Hon. Mr. M. K. Lo said:—Your Excellency.—To me it is a matter for gratification that this Council should now have before it a measure which has already received the unanimous general approval of this Council, and which

Continued on page 5

E. ZIMMERN DEFEATED AT CHESS

CARVALHO BACK TO FORM

D. E. de Carvalho, last year's Colony Chess champion, returned to form yesterday, defeating E. Zimmern, leader in this year's Tournament, at the Gloucester Hotel to score his first point in three consecutive games.

Zimmern's loss is his first in this year's Tournament, but he retains his place at the top of the Tournament table with a record of six wins in seven matches played.

All of this week's matches were completed last night, results at the Peninsula Hotel being:—K. M. A. Barnett beat V. V. Kobuch, Sir Henry Pollock drew with A. Y. Birlukoff, and B. S. Litvin beat K. Weisz.

Some adjourned and postponed matches have also been completed, with these results:—K. Weisz beat L. Blair, Sir Henry Pollock beat V. V. Kolatchoff, E. Zimmern beat A. Kurrik, B. S. Litvin beat A. Kurrik, and A. Kurrik beat L. Blair.

TABLE TO DATE

The positions to date are:

	F. W. D. Pts.
E. Zimmern	7 6 0 1 6
K. M. A. Barnett	6 5 0 1 5
B. S. Litvin	7 5 0 2 5
K. Weisz	8 5 0 3 5
Sir H. E. Pollock	8 4 2 2 5
D. E. de Carvalho	6 3 0 3 3
A. Y. Birlukoff	7 1 2 4 2
A. Kurrik	6 1 1 4 1
L. Blair	6 1 0 5 1
V. V. Kolatchoff	7 0 1 6

will enable the Colony to make to England a fitting war contribution to be raised from the wealthier members of the community. In this congenial atmosphere of accord I refrain from answering and criticising certain observations which fell from some of the official speakers in this Council on the opposition advanced in this Council against the Income Tax proposals. But I feel it is due to this Council that I should set out my reasons for opposing the original and accepting the present proposals.

87 CLAUSES

The Income Tax Committee, of which I had the honour of being a member, held its first meeting on the November 3, 1939, and at this meeting a draft Income Tax Bill, which had been previously sent to the members, was placed before the Committee for its consideration. This Bill consisted of 87 clauses, many of which were so necessarily complicated as to be beyond the comprehension of the general public, and which occupied some 49 pages of print.

A close study of the Bill forcibly confirmed the view I had entertained that an Income Tax measure was quite unsuitable to local conditions, and that it would have unfortunate repercussions on the Colony.

At this meeting I asked for a ruling whether, under the terms of our reference, the Committee was entitled to express an opinion as to whether such a measure was, or was not, desirable, and whether alternatives to the measure could be considered. The answer was in the negative. I thereupon pressed for a communiqué to be issued to the press setting out the strictly limited terms of our reference.

This communiqué was passed to the Press on the November 7, 1939.

FULL KNOWLEDGE

It was in these circumstances that I spoke in this Chamber on the November 8. I spoke not in ignorance, but with full knowledge of Government's proposals. Apart from one point in my speech, to which I propose later to refer, I do not wish to withdraw anything I then said. My views have remained unaltered.

Your Excellency intimated in this Council on the November 16 that you were prepared to widen the terms of reference of the Income Tax Committee, and the widened terms were officially communicated to the Committee at its meeting held on the following day.

Speaking for myself, I have always appreciated the point which Mr. Caine so eloquently made in his speech in this Council on the November 9, namely, that no suggested alternatives could be acceptable which did not call for any appreciable sacrifice on his part, and that this remark was true of others in the higher income groups.

COMMITTEE'S TASK

The task of the Income Tax Committee under its widened terms

Continued on page 5

GENERAL

ENTRIES FOR HONGKONG JOCKEY CLUB EASTER RACE MEETING AT VALLEY

THE SECOND EXTRA RACE MEETING OF THE HONGKONG JOCKEY CLUB will be held at Happy Valley on Saturday and Monday, Mar. 23 and 25, starting at 2 p.m. on each day.

The following are the advance entries for the two days:—

FIRST DAY

1.—Mirs Bay Stakes.—Winner \$600, 2nd \$300, 3rd \$200. For China Ponies, Griffins of this Season.

Winners of \$1,000 or more in stakes, barred. Weight: 10 lb. under weight for inches. 1 lb. penalty for every \$100 or part thereof won in stakes. Jockey Allowance, Entrance \$5. One Mile.

Advancing Time, Bocolat Bay, Bronze Arrow, Care Free, Clowner, Commencement Bay, Dawn Star, Dingo, Distinctive Time, Forgotten Star, Galveston Bay, Gay Star, Gladstar, Guinness Time, Hillsboro Bay, Hugger, Just In Time, Laughing Girl, Lauraber, National Pride, National Success, Oomph, Plinhardt, Romeo, Ronson, Rose Queen, Royal Highness, Scenic View, Silver Wings, Smashing Through, Soldier of Britain, Strathbannock, Sylvandale, Tampa Bay, Taxing Master, Victoria.

2.—Easter Stakes.—Winner \$750, 2nd \$300, 3rd \$200. "A" Handicap for China Ponies. Entrance \$5. One Mile.

Burford, Confusion Bay, Craigavon, Eve of Harvest, Eve of Heaven, Greiber, Mount Hope Bay, Satin-light, Spicylight.

3.—Albury Handicap.—Winner \$600, 2nd \$300, 3rd \$200. For Australian Subscription Ponies, "A" Class. Jockey Allowance, Entrance \$5. From the Two Mile Post Once Round and In (About One Mile 171 Yards).

Albury, Amicus Curiae, Australian Diamond, Baffin Bay, Comedy Bay, Connieber, Courting Eve, Crifel, Devonian, Fair View, Forehand Drive, Lancashire Chips, Lucky Lad, Princes Bridge, Sapper, Sparrow, Tornado Star, Triumphant Day, Viceroy.

3 or 4.—Hongham Bay Handicap.—First or Second Section: Winner \$600, 2nd \$300, 3rd \$200. For China Ponies, "B" Class. Jockey Allowance, Entrance \$5. Six Furlongs.

A Green Time 142, A'llan Prince 142, Brown Derby 142, Busylight 148, Comedy Star 142, Fair Chance 146, Furehand Drive 142, Franklin 145, Income Tax 145, Lovely Kid 139, Many Thanks 145, Maple Star 145, Nancy Lee 142, Perola D'Oriente 142, Piccadilly Jim 145, Pumelo 142, Quick Despatch 145, Rowan 145, Shuttlecock 142, Springhurst 142, Spring Shine 150, Venus Bay 145.

4 or 5.—Boca Vista Handicap.—First or Second Section:—Winner \$600, 2nd \$300, 3rd \$200. For China Ponies, "B" Class. Winners at this meeting barred. Jockey Allowance, Entrance \$5. From the Two Mile Post Once Round and In (About One Mile 171 Yards).

Avon, Bear Claw, Blue Diamond, Clebmer, Conqueror Time, Dupont Bay, Eve of Folly, Galaxy, Hopeful Star, Humdrum Eve, Hyndford Bridge, Jennifer, Jober, Johnber, King Kong, Lancashire Lass, Lillibet, Musketeer, New Star, Oak Bay, Peaceful View, Possible, Potentate, Rob Roy, Rose Emily, Rose Evelyn, Rose Flora, Rose Jane, White Diamond.

4.—Sub-Griffins Spring Handicap: Winner \$750, 2nd \$300, 3rd \$200. For China Ponies, Subscription Griffins, of this Club of any Season. Ponies classified "B" Class, barred. Jockey Allowance, Entrance \$5. One Mile.

Australian Prince 142, Brown Derby 142, Busylight 145, Fair Chance 145, Flying Dutchman 149, Franklin 145, Income Tax 145, Lucky Lady 155, Many Thanks 145, Maple Star 144, Nancy Lee 142, Piccadilly Jim 145, Pumelo 142, Quick Despatch 145, Rowan 145, Shuttlecock 142, Springhurst 142, Spring Shine 146.

6 or 8.—Taiway Bay Handicap.—First or Second Section: Winner \$600, 2nd \$300, 3rd \$200. For China Ponies, "D" Class. Jockey Allowance, Entrance \$5. One Mile.

Acot Vale, Bistre, Bogey, Bressey, Chatterbox, Dekko, Desert Star, Double Chance, Estover, Fel Ylliz, Gold Coin, Golden Cow, Good Morning, Hopeful Time, Matador, Night View, Orange Boven, Phoenix, Piet Hein, Plain View, Portrush, Smiling Time, Soldier of China, Some Hope, Sunlight View, This Time, Tim, West Lake, Wilber, Willynilly.

7.—Gin Drinkers Bay Handicap: Winner \$600, 2nd \$300, 3rd \$200. For China Ponies, "E" Class. To be ridden by Jockeys who have not won ten races anywhere at any time. No Whips or Spurs allowed. Entrance \$5. Half A Mile.

Baldson, Copper Idol, Diogenes, Dow-Jones, Gallant Marshal, George, Gog, Heddon, King's Envoy, Labour Day, Lancashire Chap, Lucky Eleven, National Dignity, National Honour, Old Fashioned, Popular Star, Radium Star, Strathdown, Sunshine Susie, The Tigris, Valoros, Wild Bear.

8.—Sydney Handicap: Winner \$600, 2nd \$300, 3rd \$200. For Australian Subscription Ponies, "D" Class. Jockey Allowance, Entrance \$5. Six Furlongs.

A Green Time, Amber II, Australian Prince, Brown Derby, Colorado Star, Franklin, Income Tax, Lovely Kid, Macquarie River, Many Thanks, Murray River, Poncos, Pumelo, Quick Despatch, Sea Urchin, Shuttlecock, Springhurst, Tarzan, Winnie, Zodiac.

SECOND DAY

1 or 2.—Kellett Handicap—First or Second Section: Winner \$600, 2nd \$300, 3rd \$200. For China

FRIDAY, MARCH 15, 1940.

HARD DRIVING AND ACCURATE VOLLEYING

Rumjahn Cousins Win Doubles

In two very good sets which were marked by hard driving and accurate volleying by both sides, S. A. and H. D. Rumjahn, former holders, beat Lee Hua-kek and J. W. Leonard in the open doubles of the Colony tennis tournament yesterday, by 6-2, 6-3.

The match provided the finest doubles game of the tournament to date and revealed exceptionally good form on the part of the Rumjahns who were most spectacular in their play. Leonard also accredited himself well, bringing off some fine hard drives and 'kills.'

The other games resulted as follows:—

HANDICAP SINGLES

A. C. I. Bowker (-3/6) beat F. D. Hunter (+1/6) 6-4, 6-3.

M. Pagh (-30/3) beat G. S. Lovett (+2/6) 6-2, 6-1.

E. Zulau (-15) beat W. G. Harvey (-2/6) 6-6, 6-1.

W. M. Barton (-3/6) 6-5, 6-1.

CLUB SINGLES

H.

QUEENS THEATRE

HONGKONG DAILY AT 2:30, 5:15, 7:20, 9:30 P.M. TEL 31453

SHOWING TO-DAY

N.B. Second Show Commences at 5 p.m. Sharp.

GRANDEST ALL-STAR CAST SINCE "GRAND HOTEL"



For a year Broadway men cheered—and ladies jeered this hilarious hit play which put women under the microscope! 135 of them—loving, lying, fighting—and all overmen! The screen sensation of the new season!

NORMA JOAN
SHEARER * CRAWFORD

THE ROSALIND RUSSELL

Women

MARY PAULETTE
BOLAND * GODDARD * VIRGINIA
JOAN MAYO
LUCILE WATSON
PHYLLIS
FONTAINE * WEIDLER * WATSON
WATSON
CLARE BOOTH

From the Play by CLARE BOOTH

ALHAMBRA THEATRE

NATHAN RD. KOWLOON DAILY AT 2:30, 5:20, 7:20, 9:30. TEL. 56856

TODAY ONLY

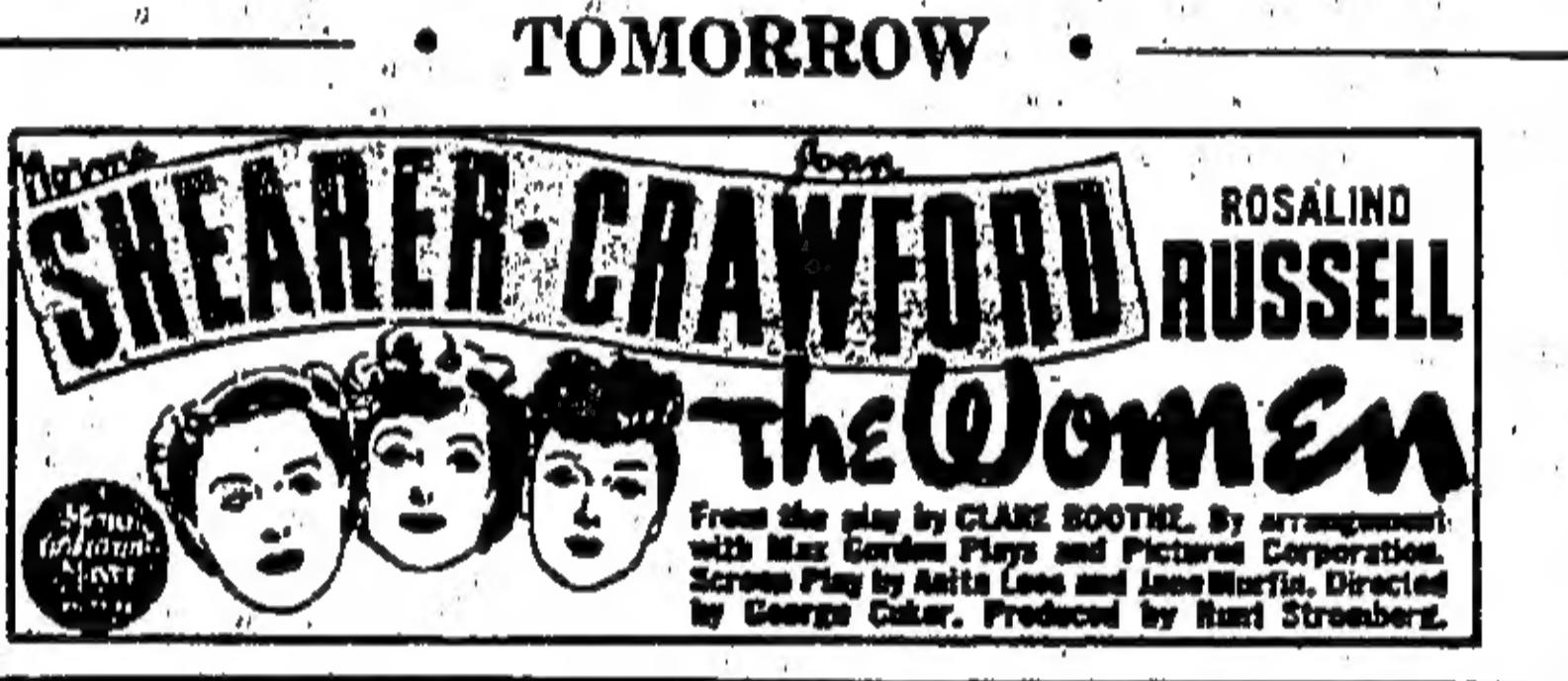


HAIR-RAISING EXCITEMENT!

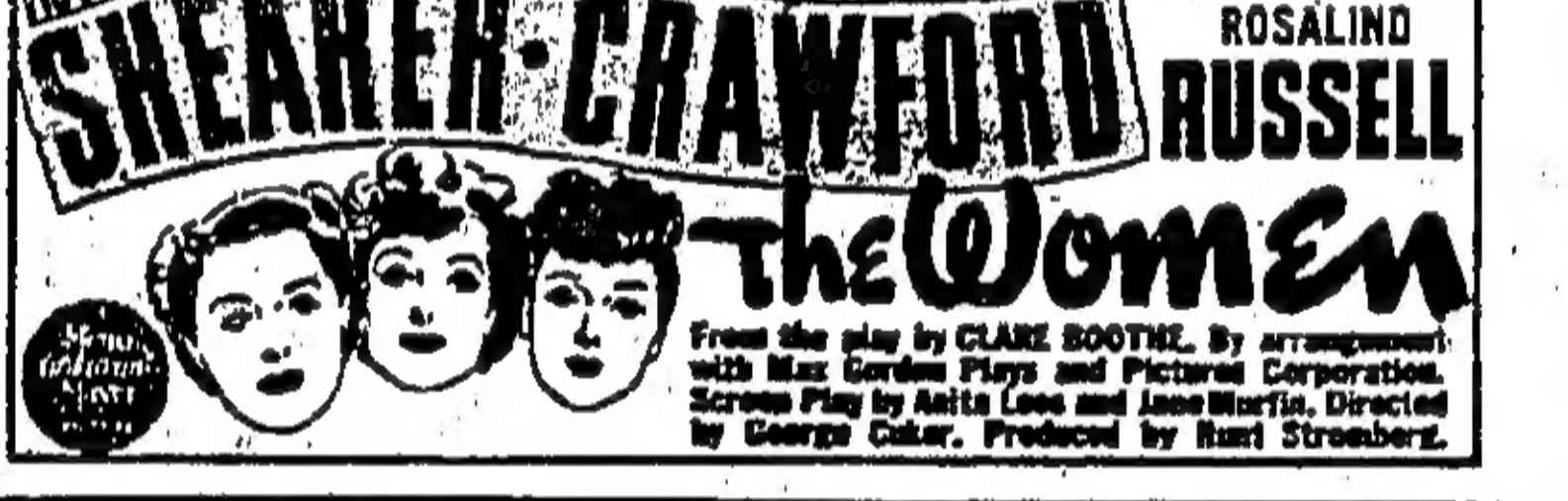
JACK HOLT
TRAPPED
BY
G-MEN

Wynne Gibson
C. Henry Gordon
Jack to Rue

A Columbia Picture



TOMORROW



CATHAY

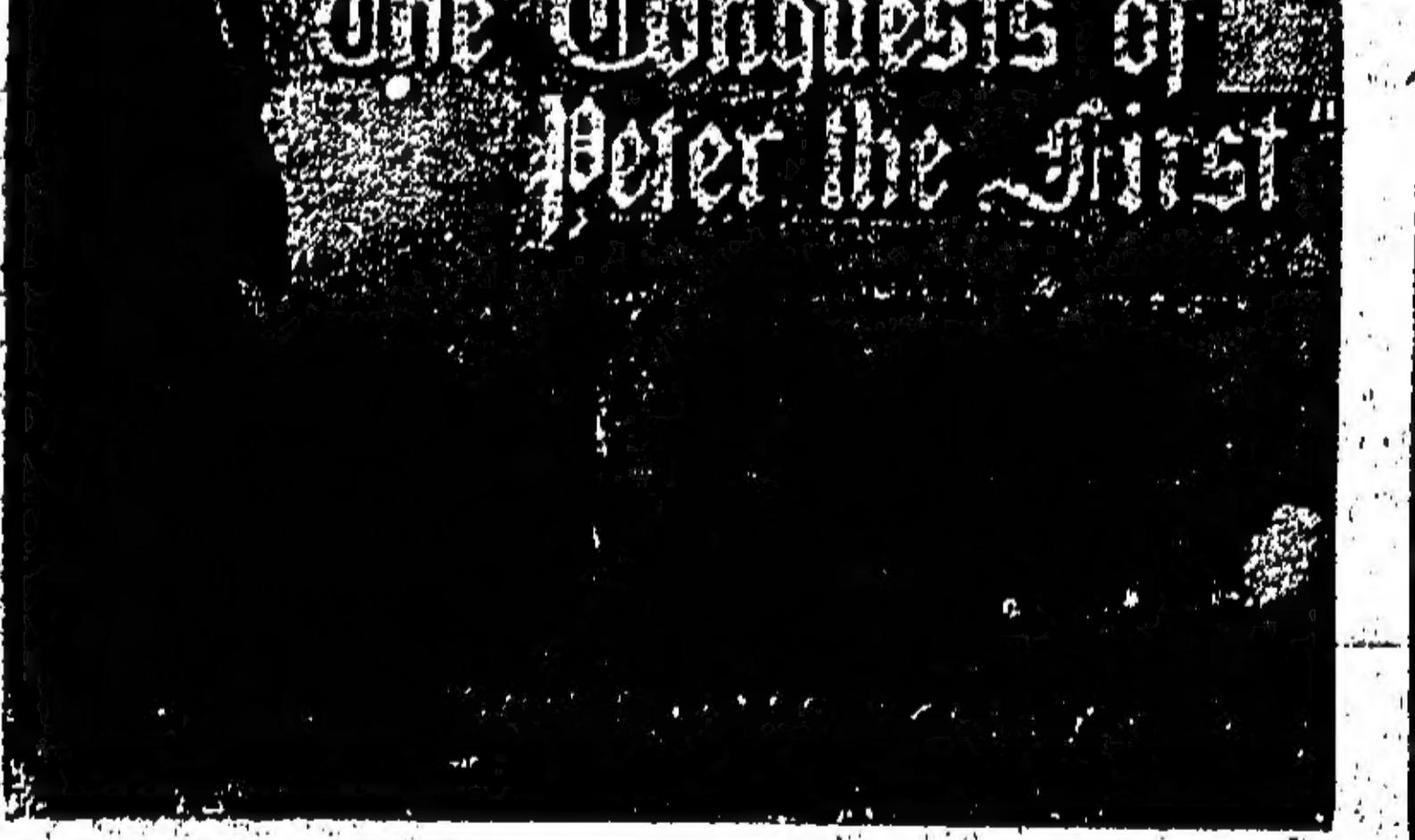
TAKE ANY TRAM OR HAPPY VALLEY BUS. W.

DAILY AT 2:30, 5:15, 7:20, 9:30 P.M.

MATINEES 20c. 50c. EVERGREENS 30c. 50c. 75c.

• TO-DAY AND TO-MORROW •

A Dramatic Sequel to Peter I... But More Powerful And Spectacular



SUNDAY-MONDAY-TUESDAY

BROUGHT BACK BY POPULAR DEMAND!

Because no other air saga has been made to equal it!

HELL DIVERS

A Metro-Goldwyn-Mayer Triumph!
Re-issued Entirely in NEW Copy.

GRACIE FIELDS SEEKS
ABSOLUTE DECREE

Application will be made in the Divorce Court to make absolute the decree nisi granted to Miss Gracie Fields against her husband, Mr. Archie Pitt, the theatrical producer.

Miss Fields' petition last July was undefended. The marriage took place in 1923 at Wandsworth Register Office. There are no children.

GRACIE FIELDS
TO MARRY

LOS ANGELES, Mar. 14 (Hentry)—Monty Banks, who directed three of Gracie Fields' films, stated yesterday that he and Gracie are to be married shortly.

Ginger Rogers was granted a divorce on the ground that her husband, Lew Ayres, has deserted her.

COMING EVENTS

MARCH

15 Tides: High 12:39 a.m. and 12:53 p.m. Low 6:45 a.m. and 7:52 p.m. Sunrise: 6:33 a.m. Sunset: 6:33 p.m. St. Patrick's Society Dinner Dance, Peninsula Hotel, 6:30 p.m. Claims against estate of Sybil Ruby Challoner and Paul Mary Hodges due.

Licensing Board Election, Urban Council Chamber, 4 p.m. Raub Australian Gold Mining Co. Ltd., Fourth Interim Dividend payable.

C.B.S.: Physical Training Display, 6 p.m.

Ladies Working Party (B.W.O.P.), Govt. House, 9 a.m.—1 p.m. St. Andrew's (Medical), 10 a.m.

La Sale College Annual Sports, Diocesan School Old Boys' Annual Dinner, Chinese Merchants' Club, 8 p.m.

Lawn Tennis Championships con-

tinued.

Y.M.C.A.: A.D.C. Rehearsal 6 p.m.; Badminton 6 p.m.

Kowloon Res. Assn. Annual Meeting, 6 p.m.

First Air Lectures for Auxiliary Nurses begin at Helena May Inst., 5:30 p.m.

Volunteer Officers' Mess, Annual Mtg., 4 p.m.

St. Andrew's Women's Guild, Jumble Sale, 3 p.m. Catholic Cathedral: "The Way of The Cross," 5:30 p.m.; Lenten Mission, 6 p.m.

Cheero Club: Darts, Table-Tennis, Billiards.

16-Tides: High 1:35 a.m. and 1:14 p.m. Low 6:16 a.m. and 7:24 p.m.

Sunrise: 6:34 a.m. Sunset: 6:34 p.m.

Criminal Sessions, Open, 10 a.m.

Seven-a-Side Rugby Turnney

(Finals), 4:30 p.m.

Charity Dinner Dance for China War Relief, Hotel Cecil, 8 p.m.

Bank of East Asia, Annual Mtg., 3 p.m.

RE.O.C.A. Carnaval Dance, Peninsula Hotel, 6:30 p.m.

C.B.S., Annual Sports, 4 p.m.

Queen's College, Annual Sports, 11:30 a.m.

Vibro Piling Co. Ltd., Annual Mtg., York Building, 12 noon; to be followed by Extraordinary General Mtg.

H.E. the Governor and Lady Northcote leave for Fanling Lodge.

17-Tides: High 3:15 a.m. and 2:17 p.m. Low 8:40 a.m. and 10:54 p.m.

Sunrise: 6:33 a.m. Sunset: 6:33 p.m.

Fanling Hunt and Race Club, St. Patrick's Day Meet at Kwantu, 2:45 p.m.

Governor's Cup Soccer, Caroline Hill, 4 p.m.

H.K. Union Church, Masonic Service, 8 p.m.

Y.M.C.A.: Discussion Group, 9 p.m.—Speaker: Mr. George Pitch on "Reconstruction in West China."

18-Tides: High 5:20 a.m. and 3:38 p.m. Low 7:15 a.m. and 11:59 p.m.

Sunrise: 6:33 a.m. Sunset: 6:35 p.m.

Crown Land Sale, P.W.D., 3 p.m.

Y.M.C.A.: War Work, 9 a.m.; Whist Drive, 8:30 p.m.; A.D.C. Rehearsal, 9 p.m.

19-Cheero Club, Ladies' Advisory Committee, Bridge and Mahjonggy Drive, 3 p.m.

H.K. Automobile Assn., Annual Mtg., Linstead and Davis Office, 5:30 p.m.

Claims against estate of Alfred Edmund Hatch due.

Y.M.C.A.: Bridge 10 a.m.; Badminton 6 p.m.; Mixed Swimming, 6 p.m.

20-H.K. Ropeway Manufacturing Co. Ltd., Annual Mtg., 10, Des Voeux Rd. C, 11:30 a.m.

Peak School, Annual Sports, 2:45 p.m.

Y.M.C.A.: Badminton from 10 a.m.; A.D.C. Rehearsal, 6 p.m.

21-Cheero Championship, Continued.

H.K. Electric Co. Ltd., Annual Mtg., 11 a.m.; Extraordinary Gen. Mtg., 11:15 a.m.

Kai Tak Airport Dance, Peninsula Hotel.

King's College Annual Sports, Caroline Hill, 1:30 p.m.

Chinese Estates, Ltd., Annual Mtg., China Building, 12 noon.

Passionate Music, St. John's Cathedral, 9 p.m.

Y.M.C.A.: Games' Morning, 10 a.m.; A.D.C. Rehearsal, 8 p.m.

22-Good Friday.

United Service of Christian Witness in Kowloon, 11:30 a.m.

St. Andrew's Club, Whist Drive, 8:45 p.m.

Golf: Happy Valley Golfers v. Kowloon Golfers.

Claims against estate of Herbert Hatch due.

H.K. Reference Assn. Dance at Hotel Cecil, 8:30 p.m.

Passionate Music, St. John's Cathedral, 9 p.m.

Y.M.C.A.: Badminton 6 p.m.; Mixed Swimming, 6 p.m.

23—Portuguese Company of H.K. V.D.C. Annual Dinner, Club Lustiano, 7:30 p.m.

H.K. Jockey Club, Second Extra Race Meeting, 2 p.m.

Y.M.C.A.: American Mixed Doubles Tennis Tournament at King's Park, 2 p.m.

All Saints Church, Bazaar, Kowloon, 10 a.m.

24-Easter Sunday.

Golf: Shanghai Visitors' Cup, semi-final of Mixed Foursomes due to be completed; first round of Adamson Cup due to be completed.

Interport Soccer: Macao v. Hong Kong.

25-H.K. Jockey Club, Second Extra Race Meeting, 2 p.m.

Entries Close for Kowloon Marathon Race.

International Soccer Final.

26-H.K. Whampoa Dock Co. Annual Mtg., 12 noon.

Busy Bee Working Party, Bridge & Mahjongg Drive, Cathedral Hall, 3 p.m.

West Country Society Supper Dance, Peninsula Hotel, 9 p.m.

27-Dairy Farm Ice & Cold Storage Co. Ltd., Annual Mtg., 12 noon.

China Club, Gala Dance, 8:30 p.m.

H.K.R.A. Prize Meeting.

China Entertainment & Land Investment Co. Ltd., Annual Mtg., King's Theatre Building, 12 noon.

28-Cheero Championship, Continued.

Y.M.C.A.: A.D.C. To Present "Housemaster," 8 p.m.

H.K.R.A. Prize Meeting.

Peninsula Hotel, Harp Recital, 9:15 p.m.

GENERAL

Radio Programmes

HONGKONG

Z On Wavelengths of 355
B metres (945 k.c.) 31.45
W metres (9.53 megacycles).

WORLD AFFAIRS AND OTHER
LONDON RELAYS

Classical Requests

12:15 p.m. Short Service of Intercession

13:30 Songs by Lilian Harvey and Willy Fritsch

Ich Lass Mir Meinen Körper Schwarz Repin (Lichmann and Hollander)—Willy Fritsch with Orchestra.

Leben Chine Lebe (Glibert and Spolansky)—Lilian Harvey with Orchestra.

Dancing Into Heaven With You (Schroder-Beckmann)—

Lilian Harvey and Willy Fritsch with Orchestra.

Live, Love and Laugh (film "The Congress Dances")—Willy Fritsch with Schlamel Quartet.

Just Once for All Time (film "The Congress Dances")—Lilian Harvey with Orchestra.

12:45 Czech Philharmonic Orchestra.

Slavonic Dance No. 1 in C Major (Dvorak); Slavonic Dance No. 2 in E Minor (Dvorak); Slavonic Dance No. 14 in B Flat Major (Dvorak); Slavonic Dance No. 15 in C Major (Dvorak)—conducted by Vaclav Talich.

1:00 Local Time Signal and Weather Report.

1:03 Dance Music by Jack Harris and His Orchestra.

Fox-Trots—Love Walked In (film "The Goldwyn Follies"); Love Is Here to Stay (film "The Goldwyn Follies").

Waltz—Stars in My Eyes (from "The King steps Out").

Fox-Trot—Please Be Kind; When The Organ Played "O! Promise Me."

Waltz—The Girl In The Alice Blue Gown; Fox-Trot—

The Pretty Little Patchwork Quilt; Fox-Trot—Darling You (from "Rise and Shine"); Rise N Shine (from "Rise and Shine").

1:30 Rester and Rugby Press, Weather Forecast and Announcements.

1:45 Chopin—Concerto No. 2 in F

ADVERTISEMENTS

ADVERTISEMENTS

G. R.
PUBLIC AUCTION.

PARTICULARS AND CONDITIONS of the Sale by Public Auction to be held on Monday, the 18th day of March 1940, at 3 p.m., at the Offices of the Public Works Department, by Order of His Excellency the Governor of one Lot of Crown Land at Repulse Bay, in the Colony of Hong Kong for a term of 75 years, with the option of renewal at a Crown Rent to be fixed by the Surveyor of His Majesty the KING, for one further term of 75 years.

Intending bidders are advised that immediately after the disposal of the lot the Purchaser (if not the applicant), will be required to deposit with an authorised officer who will be present at the sale, the sum of two hundred dollars, (\$200) in cash. This sum will be refunded on payment of the Purchase price.

PARTICULARS OF THE LOT

No. of Sale.	Registry No.	Boundary Measurements	Contents in Square feet.	Annual Rent.	Open Price
		N. S. E. W. ft. ft. ft.			
1	Rural Building Between South Bay Rd. & North Land Rd., Repulse Bay, Lot No. 436.	About 42,600	494	10,750	
	As per sale plan.				

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G. R.
PUBLIC AUCTION.

PARTICULARS AND CONDITIONS of the Sale by Public Auction to be held on Monday, the 18th day of March 1940, at 3 p.m., at the Offices of the Public Works Department, by Order of His Excellency the Governor of one lot of Crown Land at Shamshui Po, in the Colony of Hong Kong for a term of 75 years, commencing from 1st July, 1898, with the option of renewal at a Crown Rent to be fixed by the Surveyor of His Majesty the KING, for one further term of 24 years less the last three days thereof.

Intending bidders are advised that immediately after the disposal of the lot the Purchaser (if not the applicant) will be required to deposit with an authorised officer who will be present at the sale, the sum of two hundred dollars, (\$200) in cash. This sum will be refunded on payment of the Purchase price.

PARTICULARS OF THE LOT

No. of Sale.	Registry No.	Boundary Measurements	Contents in Square feet.	Annual Rent.	Open Price
		N. S. E. W. ft. ft. ft.			
3	New Kowloon Inland Lot No. 970. Junction of Yen Chow Street and Fat Wing Street, Shamshui Po.	About 6,760	106	11,320	
	As per sale plan.				

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G. R.
PUBLIC AUCTION.

PARTICULARS AND CONDITIONS of the Sale by Public Auction to be held on Monday, the 18th day of March 1940, at 3 p.m., at the Offices of the Public Works Department, by Order of His Excellency the Governor of one Lot of Crown Land at Blue Pool Road, in the Colony of Hong Kong for a term of 75 years, with the option of renewal at a Crown Rent to be fixed by the Surveyor of His Majesty the KING, for one further term of 24 years less the last three days thereof.

Intending bidders are advised that immediately after the disposal of the lot the Purchaser (if not the applicant) will be required to deposit with an authorised officer who will be present at the sale, the sum of two hundred dollars, (\$200) in cash. This sum will be refunded on payment of the Purchase price.

PARTICULARS OF THE LOT

No. of Sale.	Registry No.	Locality	Boundary Measurements	Contents in Square feet.	Annual Rent.	Open Price
			N. S. E. W. ft. ft. ft.			
1a	Inland Lot No. 425. Blue Pool Road.		About 84,600	1,692	23,600	
	As per sale plan.					

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ARRIVALS AT KAI TAK

There were only two arrivals at Kai Tak yesterday by the Pan American air liner China Clipper. Mr. B. L. Fleming, from Honolulu is connected with the Bishop Trust Company of that city. He is proceeding to Penang by plane. Mr. Owen Johnson, from Manila, is to take over Mr. Phil S. Delany's job locally as Pan American Airways Company Traffic Representative for China. Mr. Delany, with his wife and family, will be leaving the Colony by the next Clipper on leave, and will be away four months. The holiday will be spent in Florida.

The overwhelming majority of Chinese firms have more than five, many have over ten.

DON'T FORGET

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You are at Home
you can get the
HONG KONG
DAILY PRESS
at SELFRIDGES.

H.K. CONTRIBUTION

Continued from Page 2

of reference was, then, as I conceived it, to endeavour to solve the difficult problem of placing upon the right shoulders the burden and privilege of the war Taxation, by means which would obviate or mitigate the grave objections raised to the Income Tax measure.

The Bill, now before the Council, Sir, the result of the Committee's efforts,

I do not pretend to say that the present Bill has surmounted all the administrative objections advanced, but I do say that, in my view, they have been very substantially reduced, and reduced in a way which would have been impossible under an ordinary Income Tax Bill.

Nor do I pretend to say that all the possibilities of ill effects on the Colony have been removed. I can only hope that the rates of charge proposed by the Bill are low enough to reduce any such ill effects to the minimum.

In this regard I have one further observation to make. I know there are various places in which an Income Tax is successfully administered. The refutation, by result, of the forebodings of the tax before its introduction in such places has been repeatedly used as an argument in favour of its introduction in Hongkong. The validity of this argument depends entirely upon the similarity of Hongkong with the other places.

I maintain that Hongkong is not similar. I would, therefore, urge that the importance of keeping the rates under this Bill low, so as not to discourage the inflow of capital to, or its maintenance in, Hongkong, should be borne in mind.

FUNDAMENTAL DIFFERENCE

It can be said, and it will no doubt be said, that this Bill is an Income Tax Bill in a modified form. In a sense this is, of course, true. Indeed, in a sense, every tax, even an indirect tax, is a tax on income. But I venture to think that this Bill differs fundamentally from an Income Tax as it is generally understood.

Under the generally accepted theory of Income Tax the liability of firms and corporations depends, not on the question where the profits are made, but on the locality of the place from which their operations are controlled. This is not the case under this Bill. Moreover, unlike an Income Tax Bill, this Bill is not concerned with the identity of the individuals constituting a firm, so many of whom, as regards firms in the Colony, are non-resident.

Again, unlike an Income Tax Bill, it is not concerned with the question as to how long a person has been resident within the Colony in relation to taxable liability, with the result that elaborate provisions have been omitted which would otherwise have been necessary, and which would be difficult, if not impossible, to enforce in the absence of a system of universal registration of persons or of passports for the whole of the population.

Intending bidders are advised that immediately after the disposal of the lot the Purchaser (if not the applicant) will be required to deposit with an authorised officer who will be present at the sale, the sum of two hundred dollars, (\$200) in cash. This sum will be refunded on payment of the Purchase price.

CLASSES OF INCOME

This Bill is concerned with the four main classes of income separately, and deals with them in a way which would be impossible under an ordinary Income Tax measure. As their operation and effect are fully set out in the Report, and in the Bill, I need say very little. But in view of certain criticisms which have come to my attention I venture to make a few observations on the Salary Tax, and the Business Profit Tax.

As regards the Salary Tax, its operation is obviously limited by the statutory condition of liability, namely, that of a salary of \$400 a month and upwards.

A salaried man can claim a personal allowance of \$3,000; a sum of \$2,000 for a wife, and a sum of \$1,000 for each child, with the proviso that the amount of allowances for wife and children must not exceed \$6,000. A married man with four children can therefore claim a \$6,000 allowance, and the tax in excess of this sum is only 4 per cent on the first \$5,000 taxable.

BUSINESS TAX

As regards the Business Profits Tax, the tax is at 5 per cent in excess of \$15,000, and up to \$100,000, and at 10 per cent in excess of \$100,000. The tax is on the business, and not on the individuals constituting the firm, so that no exact individual allowance can be given. The free allowances of \$10,000, and the lowered rates of charge are given by way of compensation for the absence of individual allowances.

The overwhelming majority of Chinese firms have more than five, many have over ten.

and some have over twenty, partners. It has been suggested that the Salary Tax is unfair in relation to this tax.

AN EXAMPLE

Let me take an example. Suppose a firm of ten partners in equal shares were to make a profit of \$100,000. At 5 per cent on \$100,000, the tax comes to \$4,500.

Now if the profit were taxed under the Salary Tax, and if each of the partners were married with four children, each could claim allowances up to \$8,000, making a total of \$80,000, so that the balance taxable would be only \$10,000. Apart from the provision under the Salary Tax, that 4 per cent is payable upon the first \$5,000, it is obvious that such partners would be in a more advantageous position if taxed under the Salaries Tax.

It is true that the tax which will give rise to the greatest difficulty, and will involve the most personal inquiry, is the Business Profits Tax. I have always appreciated the objections to this tax; its probable yield would, not, by itself, appear to justify its imposition.

But, Sir, I submit that this tax should not be considered in isolation, but only in combination with the other three taxes. After all, the Bill represents on the part of many members of the Committee a compromise of individual views and opinions for the sake of a worthy cause, and it is my considered view that the argument that on the ground of equity such a tax must be imposed if there is a Corporation Profits Tax, is quite unanswerable.

IMAGINARY CASE

To illustrate the effect of the provisions of the Bill let me take an imaginary case of wealthy refugee, with capital invested in the Colony. If he has shares in companies he has nothing whatever to do, as the tax will be deducted at source. If he has invested capital in factories or firms of which he is not the actual managing partner or manager, here again he has nothing to do.

He can come and go without any question of residential liability. If he lends out money on mortgages he has nothing to do, and has no tax to pay. His bank balances are unaffected. If he owns a house he has to do no more than what he has to do already, namely, fill in a return of the net value of the property, and pay 5 per cent as additional rates.

Honourable Members of this Council may be interested to know that the provisions of this Bill are based on a draft Bill drawn by Mr. Caine in collaboration with the Chairman of the Committee, my Honourable friend the Attorney General.

MR. CAINE'S STATEMENT

I would like to quote the following from a statement prepared by Mr. Caine on the "Principal Differences Between the War Revenue Bill and the Income Tax Bill."

1. GENERAL. An Income Tax seeks to tax every source of each individual's income and to make allowances for his family responsibilities and other individual circumstances. Although much may be collected at the source it is ultimately an individual tax and may entail much enquiry into personal affairs.

The new Bill proposes to take each of the main classes of income separately and tax them at rates adjusted only approximately to capacity to pay. At some sacrifice of the refinements of an income tax it thus avoids many problems which arise in the administration of those refinements and removes some of the features of income tax which are objectionable to the public.

2. SCOPE OF TAX. The taxation imposed by the new Bill will cover incomes from rents of property in Hongkong, salaries of persons employed in Hongkong, and profits of all businesses carried on in Hongkong. Income which would have been liable to a full income tax but freed of many complications owing to its being partial in scope and only approximately adjusted to individual ability to pay.

In particular much of the enquiry into personal circumstances which is apprehended from the administration of income tax should be avoided.

3. CAPACITY TO PAY

I have stated that, subject to one point I do not wish to modify in any way the remarks I made in this Council on November 19, and that point concerns my remarks as to the capacity of the Colony to pay. Your Excellency, on November 18, made it quite clear that Government had not determined to raise a War Budget Revenue of any predetermined sum, so that whatever amount this Bill will in fact raise, that would constitute the free gift to His Majesty's Government, while engaged in a life and death struggle. I therefore agree that no question of the Colony's capacity to pay arises, once the taxing measure has been agreed.

The Committee, in its Report, expressed the hope that "in view of the purpose for which the four taxes will be used, there should

GENERAL

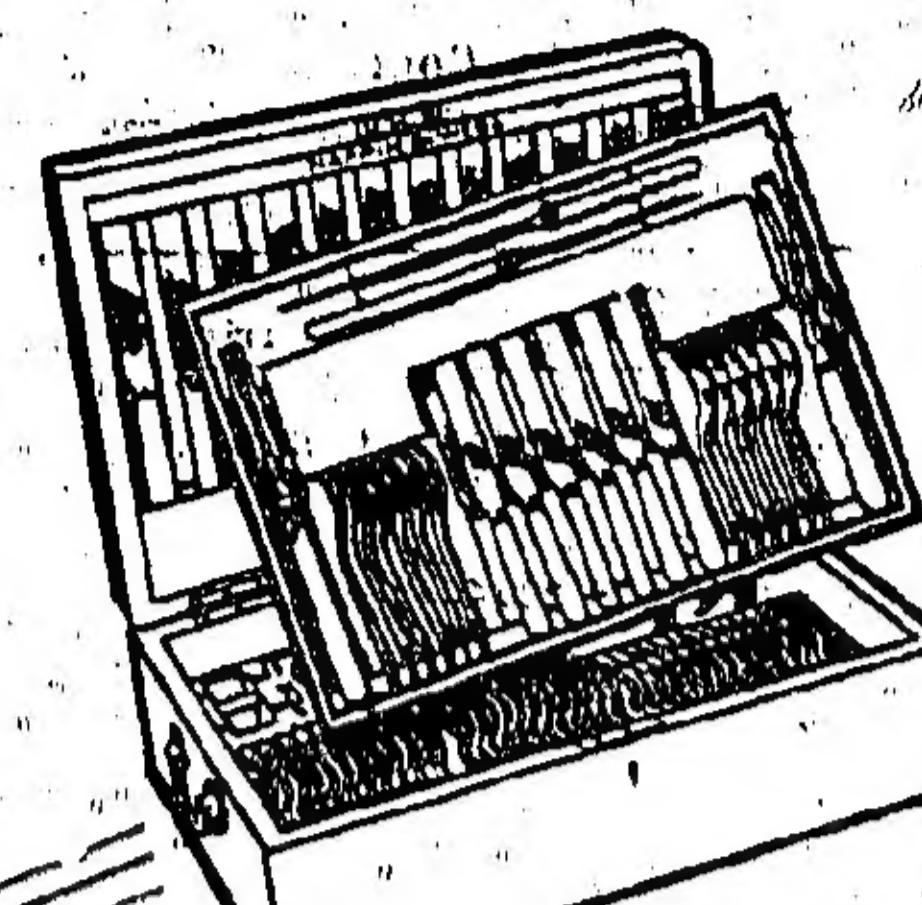
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FOR 6 PERSONS \$170.00 63 PIECES
FOR 8 PERSONS \$280.00 79 PIECES
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THE SINCERE CO., LTD.,

THE WING ON CO., LTD.,

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Diamond Leghorn Farm

Sole Agents

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66, NATHAN ROAD, KOWLOON
TELEPHONE 5188
HONGKONG.

Continued on Page 7

NEW ADVERTISEMENTS

IN THE SUPREME COURT OF HONG KONG

ORIGINAL JURISDICTION

MISCELLANEOUS PROCEEDINGS NO. 11 OF 1940.

IN THE MATTER of MELCHERS & CO.
Agents' Norddeutscher Lloyd Bremen (In Liquidation)

IN THE MATTER of the Alien Enemies (Winding-Up) Ordinance No. 28 of 1914 Section 13, Subsection 1.

NOTICE IS HEREBY GIVEN that the Court by Order dated the 8th day of March, 1940 DIRECTED that all claims to the goods particulars whereof are as follows:

MARKS	SPECIFICATION	Date of Arrival
A S 300 C 0/717/2-5	4 drums Hardening Salts AS 300 C	8. 8. 39
A S 220 C 0/717/6-8	4 drums Hardening Salts AS 220 C	"
H		
L / M / D 8 319 C. BRAHN 0/717/1	1 case "E. Merck" Bismuth-Subnitrate white powder	"
DEFAG 176333 I/G 151354 F.E.	1 case cgt. 4 Pyrometer Armatures for Hardening Furnaces with connection cables but without recording instrument	"
CC TUL Finschhafen	1 case Ewald Paper (for copying Blue Prints)	"
LM. 18/11 L O 555 289/8/7/8 J A Swatow	1 case cgt. 30 x abt. 2 lb. tins. Sirius Super Turquoise Blue	"
M Y H O 7037 Haliphong	1 case Hand Mirrors (30 doz. pieces)	30. 8. 39
D. Bremerhaven N.L. 3572 Ship Store Shanghai		
CHAMPION No Mark or Nos.	2,000 bags Sodium Nitrate crystals	18. 7. 39
E G L B Hong Kong	517 bags Saltpetre	14. 4. 39
Siemen China, Kunming, No. 8/471	1 lot of spare parts for motor KD 18 " Z. Cyl. Liners, fuel valves, valve levers, piston rings, etc.	21. 7. 39
No Mark H C F F Haliphong	1 bale book paper	20. 11. 37
N S H 11864 N S H 11863 Haliphong	1 personal Leather Trunk	13. 7. 39
B C 6154	1 case Bronze Powder	"
Z M 1554	1 case Bronze Powder	"
Z M 1554 / 4 Haliphong	1 case Stationery (carbon paper, pencils, etc.)	18. 7. 39
Z M 1554 / 2 Kunfa-Haliphong	1 case Machinery	18. 7. 39
Z M / 1 1554	1 case —do— 4 Automatic Milling Machines for mass-production "GF 105/450" Manuf. "HELLER"	"
O K 60152 1/16	6 bags Bolts and Nuts	"
—do— Z M 1573/1 Haliphong	11 bags Dogspikes for fixing rails	"
Z M 1568 / 10 Kunfa	1 Precision Lathe, all geared headstock, direct electric drive	"
X M 1968 11/25 Z M 1568 1/2 Kunfa	1 Horizontal Milling Machine, direct electric drive, Manuf. "Wanderer-Werke"	"
Z M 1554 15 Cases Horizontal Plain Milling Machines, direct electric drive	13. 7. 39	
Z M 1554 2 Cases Heavy Precision Multitool Finishing Lathes, semi-automatic, with hydraulic feeds, all electric drive, Type GS 1945 (GS4)	"	
Z O 2038 BEG/SH	1 Case—28 Bundles Copper Wire	"
No Mark	1 Case Tool Steel (small circular saws for milling machines)	8. 10. 38
R E C ST 274/STOCK	1 Iron Framework (scrap metal)	23. 10. 38
No Mark 11 White	1 Case Hair Water	7. 1. 39
T 2202 F No. 1	1 Round Iron Bar	25. 1. 39
G R M 268 E S M Swatow 4004	7 Pieces Balls	16. 2. 39
INR4375 SINTOON No. MACAO 99189	1 Case Gai Salt (Laxative salt)	6. 7. 39
Red Ends W 578 102	1 Case Chlorodyne	8. 8. 39
46300 1/16 Swatow	1 Case Machinery (Motor-Coil)	18. 5. 37
No Mark No Mark K. W. H. E. 1	1 Bundle—7 Flat Steel Bars	4. 9. 37
	1 Bundle Galv. Iron Wire (old and rusty)	"
	16 cases China Ware (Porcelain Buttons)	12. 5. 38
	6 pieces Galv. Iron Tubes	20. 2. 39
	7 packages Round Iron Bars	14. 4. 39
	1 Case cgt. 10 pcs. Brass Hollow Rollers with steel ends	11. 5. 39

NEW ADVERTISEMENTS

THE CHINA PROVIDENT
LOAN & MORTGAGE
CO., LTD.

NOTICE is hereby given that the Forty Third Annual General Meeting of the Shareholders will be held in the Jacobean Room of the Hong Kong Hotel, Hong Kong, on THURSDAY, the 28th March, 1940, at NOON for the following purposes, namely, to consider the annual statement of accounts and the balance sheet and the reports of the Directors and Auditors thereon, to elect directors and auditors in the place of those retiring, to declare a dividend, to appropriate the balance of Profit & Loss A/C as recommended by the Directors, and to transact any other ordinary business of the Company.

AND NOTICE is also given that the Share Transfer Registers will be closed from 18th March, 1940, to 28th March, 1940, both days inclusive.

By order of the Board,
R. A. WICKERSON,
Secretary & Manager.

Hong Kong, 12th March, 1940.

NEW ADVERTISEMENTS

HONG KONG REALTY AND
TRUST CO., LTD.(Incorporated under the
Companies Ordinances
of Hong Kong)

NOTICE IS HEREBY GIVEN that the Ordinary Yearly Meeting of Shareholders of Hong Kong Realty and Trust Company, Limited, will be held at the Registered Office of the Company, Exchange Building (2nd Floor), Des Voeux Road Central, Hong Kong, on Tuesday, the 2nd April, 1940, at 11.30 a.m., for the purpose of receiving the Report of the General Managers together with a Statement of Accounts for the year ended 31ST OCTOBER, 1939.

The TRANSFER BOOKS of

the Company will be CLOSED from THURSDAY, the 21ST MARCH, 1940, to FRIDAY, the 29TH MARCH, 1940, both days inclusive.

JOHN D. HUMPHREYS
& SON,
General Managers.

Hong Kong, 14th March, 1940.

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G. R.
1940 - 1941.

Sealed Tenders will be received at the Royal Naval Hospital, until 10 a.m. on the 19th March, 1940, from persons desirous of supplying Beef, Mutton, Fowl, Pork, Fish, Cheese, Butter, Pure Cow's Milk, Ice, and other provisions and necessities, for the year ending 31st March, 1941.

Printed Forms of Tenders and further particulars can be obtained at the Royal Naval Hospital.

The right to reject the lowest or any tender is reserved.

G. V. HOBBS,
Surgeon Captain,
Medical Officer in Charge.Royal Naval Hospital,
Hong Kong, 13th March, 1940.

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THE HONGKONG ELECTRIC
COMPANY, LIMITED.

Continued From Page 2

NOTICE is hereby given that an Extraordinary General Meeting of the Company will be held in the P. & O. Building, Victoria, in the Colony of Hong Kong, at 11.15 o'clock in the forenoon on

Thursday, the 21st day of March, 1940, or as soon thereafter as the Ordinary Yearly Meeting of the Company shall have terminated, for the purpose of considering and if thought fit passing the following resolution as a special resolution:

That the Capital of the Company be increased from its present Capital of \$6,000,000 Hong Kong currency divided into 600,000 shares of \$10 each to \$18,000,000 Hong Kong currency divided into 1,800,000 shares of \$10 each and that such additional shares shall rank in all respects pari passu with the original Capital of the Company.

And for the purpose of considering and if thought fit passing the following resolutions, namely:

1. That the Directors be and they are hereby authorised to capitalise the sum of \$3,000,000 Hong Kong currency part of the undivided profits of the Company standing to the credit of the Company's Reserve Fund and to allot to the Members holding shares of the Company as on the 1st day of July, 1940, in respect of the net amount capitalised fully paid shares of the Company of equivalent nominal value in the proportion of one share for every two shares of the Company then held by such persons respectively and that such shares so allotted shall rank for dividends as from the 1st day of July, 1940.

The Share Register and Transfer Books will be closed from the 21st March, to the 4th April, 1940, both days inclusive.

JARDINE, MATHESON & CO., LTD.

General Managers,
The Hong Kong Fire Insurance
Co., Ltd.

Hong Kong, 14th March, 1940.

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THE HONG KONG AND
KOWLOON WHARF &
GODOWN CO., LTD.

Notice to Shareholders.

THE FIFTY-THIRD ORDINARY ANNUAL MEETING OF SHAREHOLDERS will be held at the Office of Messrs. Jardine, Matheson & Co., Ltd. on TUESDAY, 2nd APRIL, 1940, at NOON, for the purpose of receiving the Report of the Directors and the Statement of Accounts for the year ended 31st December, 1939.

The Transfer Books of the Company will be CLOSED from SATURDAY, the 23rd MARCH, 1940, to TUESDAY, the 2nd APRIL, 1940, both days inclusive.

By Order of the Board of
Directors,

C. M. MANNERS,

Secretary & Manager.

Hong Kong, 14th March, 1940.

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ADVERTISEMENTS

A. S. WATSON & CO.,
LIMITED.

NOTICE IS HEREBY GIVEN that the FIFTY-FIFTH ORDINARY YEARLY MEETING of the Company (since registration) will be held at the Hong Kong Hotel, Hong Kong, on FRIDAY, the 29TH MARCH, 1940, at 11.30 a.m., for the purpose of presenting the Report of the General Managers together with a Statement of Accounts for the year ended 31ST OCTOBER, 1939.

The TRANSFER BOOKS of the Company will be CLOSED from THURSDAY, the 21ST MARCH, 1940, to FRIDAY, the 29TH MARCH, 1940, both days inclusive.

JOHN D. HUMPHREYS
& SON,
General Managers.

Hong Kong, 14th March, 1940.

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G. R.
1940 - 1941.THE HONGKONG ELECTRIC
COMPANY, LIMITED.

Continued From Page 2

NOTICE is hereby given that the Fifty-first Ordinary Yearly Meeting will be held at the Company's Registered Office, 4th Floor, P. & O. Building on

Thursday, 21st March, 1940, at 11 a.m. for the purpose of presenting the Report of the Directors together with a Statement of Accounts to 31st December, 1939, electing Directors, and Auditors and fixing their fees.

The Register of Members of the Company will be closed from 9th March, to 21st March, 1940, both days inclusive, during which period no transfer of shares can be registered.

By order of the Board of
Directors,

GIBB, LIVINGSTON &

CO., LTD.

Agents.

Hong Kong, 22nd Feb., 1940.

91

G. R.
1940 - 1941.THE HONGKONG ELECTRIC
COMPANY, LIMITED.

Continued From Page 2

NOTICE is hereby given that the Twenty-first Annual General Meeting of the Kowloon Residents' Association will be held in St. Andrew's Church Hall, Kowloon, on FRIDAY, March 15, 1940, at 6 p.m.

Business.

Adoption of Report and Ac-

counts for the year ended

31st December, 1939.

Election of Officers and

Committee

And Other Business.

It is earnestly requested that

members and all others interested

in the welfare of Kowloon will

endeavour to be present. An

opportunity will be given for

bringing forward matters for the

consideration of the new Com-

mittee.

H. D. ROSENTHALL,

Hon. Secretary.

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G. R.
1940 - 1941.THE HONGKONG ELECTRIC
COMPANY, LIMITED.

Continued From Page 2

NOTICE is hereby given that the Extraordinary General Meeting of the Company will be held in the P. & O. Building, Victoria, in the Colony of Hong Kong, at 11.15 o'clock in the forenoon on

Thursday, the 21st day of March, 1940, or as soon thereafter as the Ordinary Yearly Meeting of the Company shall have terminated,

for the purpose of considering and if thought fit passing the following resolution as a special resolution:

5.—Sugar Loaf Stakes.—Winner

\$600, 2nd \$300, 3rd \$200. For China

Ponies, Griffins of this Season.

Winners at this meeting and ponies

that have won \$1,000 or more in

stakes, barred. Weight: 10 lb. under

weight for inches. 1 lb. pen-

alty for every \$100 or part thereof

won in stakes. Jockey Allowance.

Entrance \$5. Six Furlongs.

Blue Field 151, Blue Gate 151,

Bronze Arrow 151, Care Free 151,

Distinctive 151, Emergency

Former Secretary For War Demands Opportunity For Commons' Debate On Britain's Conduct In Soviet - Finnish War

The Daily Press
報西刺刊

Editorial and Business Office: 15-19, Queen's Road Central, Tel. 30251. Night Editor (Wanchai Office): Tel. 24511. London Office: 53, Fleet Street E.C.4.

HONGKONG, MARCH 15, 1940

JAPANESE SINCERITY

ON MONDAY, December 18, the Japanese Foreign Minister, Admiral K. Nomura, informed the American Ambassador in Tokyo, Mr. Joseph C. Grew, of Japan's intention "to make preparations with a view to lifting the ban on the navigation of the Yangtze from Nanking downward under certain restrictions for the maintenance of peace and order and for military operations." In view of this decision, it was hoped that "Japan's real intentions will be understood not only by the United States but by other powers as well."

MONTHS HAVE GONE by since, and nothing has been done about the opening of the Yangtze, which is still a paper promise. Yet there has been extensive press comment in Japan, showing that the Japanese press at least expected the United States Government to grant Japan a quid pro quo for its seeming good intentions. One exception in this chorus of the Japanese press was the Kokumin, a rightist paper the views of which are often identified with those of extremists in the Japanese Army. It declared that "for Japan to promise the opening of rivers to free navigation is a blot on her policy of creating a new order in Eastern Asia. It must be made clear that the Japanese Government need not be bound by the present action, should the new Central Government of China proclaim in future the closing of the Yangtze and the Pearl Rivers to the shipping of third powers. Although Admiral Nomura's assurance to America is regrettable in the light of Japan's policy . . . it will not be without its merits if it leads to the conclusion of a new Commercial Treaty with America."

THIS STATEMENT by the Kokumin at the time of its publication naturally met with little attention outside Japan. Yet it seems as though the Kokumin editors had actually let the cat out of the bag prematurely. Another premature disclosure now seems at least to confirm that what the Kokumin darkly hinted represented the actual programme of the Japanese High Command. On January 21, 1940, i.e. five weeks after the Nomura promise, two Chinese politicians who had deserted to Hongkong from the camp of Wang Ching-wei in Shanghai published in Hongkong what they contended was the outline of the agreement concluded between Wang and the Japanese Army on December 30, 1939—twelve days after the Nomura promise—and subsequently approved first by the China Affairs Board of the Abe cabinet and then by the cabinet itself, apparently including Admiral Nomura himself. This agreement provides, inter alia, for "recognition of Japan's economic predominance in the Lower Yangtze Valley" by Wang and his future government.

ALTHOUGH there has been no confirmation of the authenticity of this agreement by anyone among those most concerned, there has been no denial of the general exactness of its contents either. In other words, while Mr. Nomura made a promise to Mr. Grew, the Japanese Army negotiated with Mr. Wang Ching-wei to take this promise back at the earliest possible moment. This

Procuring Of Abortion Alleged

Hearing was commenced before Mr. E. H. Williams at the Kowloon Court yesterday of the case against Wong Yuk-hing, 50-year-old woman, charged on two counts of unlawfully procuring an abortion for Cheung Lai-ying, an amah.

Mr. E. H. Williams, Crown Counsel, prosecuting said that the complainant was a baby amah and had two children of her own. Towards the beginning of last December she became pregnant, and began to worry lest this should cause her to lose her job.

Another servant introduced her to the defendant, who the prosecution claimed, tried to procure an abortion for her. Defendant is alleged to have doctored complainant on December 1 and again on December 3.

Complainant developed a fever, was subsequently treated by another Chinese doctor, and eventually taken to the Kowloon Hospital where she was operated on December 17, by Dr. E. L. Gosano.

Evidence of the operation was given yesterday by Dr. Gosano, who was questioned at length by Mr. Hin-shing Lo, appearing for defendant. Hearing will be continued this afternoon.

TIENTSIN CLUB BLAZE: MUCH DAMAGE

TIENTSIN, Mar. 14 (Reuter)—A fire broke out in the Tientsin Club this morning, shortly before noon. Within an hour the flames were under control, but it is feared that substantial damage has been done to the furniture and fittings by

London, Mar. 14 (Reuter)—Replying in the House of Commons to the Prime Minister's statement on the Soviet-Finnish peace, Major C. R. Attlee, Leader of the Labour Opposition, said that all were agreed in the admiration of Finland's struggle and, while all were relieved that the slaughter had been stopped, all deeply regretted the success of the aggression (loud cheers).

Major Attlee added that Britain should render Finland all the assistance possible to repair the damages of this "unprovoked attack." Mr. Leslie Hore-Belisha, former Secretary of War, said he associated himself with the expressions of sympathy with Finland. Was it not a pity in relation to the magnitudes of these events and their far-reaching character, for the Allies to plead, as an excuse for inaction, a pure technicality? (Ministerial Protest)

Mr. Hore-Belisha asked for the opportunity for a debate "in the light of these events of the whole conduct of the Government."

The Prime Minister, Mr. Neville Chamberlain, interjecting, said: "It is not correct that repeated requests for men have been made by the Finnish Government.

"The Finnish Government have made repeated requests for materials and every one has been answered. The Finnish Government was informed as long ago as Feb. 27 that, if they were to make an appeal to us, we were prepared, and were making preparations, to send men as well as materials. In the circumstances in which they found themselves, they decided not to make such an appeal."

Sir Archibald Sinclair, Leader of the Liberal Opposition, associated himself with the "condemnation of this successful aggression" and asked whether the published details of the material assistance sent to Finland were accepted by the Government. He suggested that they were grossly exaggerated.

Mr. Chamberlain said that he could take no responsibility for newspaper figures. He pointed out that the Government had not made a complete statement as to the amount of assistance given Finland.

Kwangtung Border Clash

LIUCHOW, Mar. 14 (Central)—Chinese troops attacked the Japanese at Taisu, on the Kwangtung-Kwangsi border, on March 11. Fearing a retreat, they induced the Japanese to pursue them northward.

When the Japanese reached a point between Taitong and Nanchen, they encountered Chinese mines and the Chinese turned back to attack them.

HINGNING, March 14 (Central)—The Japanese drive toward Kitayang, 25 miles north west of Swatow, is making no progress.

With the advance of the bulk of the Japanese troops blocked, 1,000 reinforcements were sent westward from Kung-ho, five miles west of Chaoan, by the Chaoan-Kitayang highway on March 10. They were intercepted on the way.

SOLAR HALOS OBSERVED

A very beautiful display of solar halos was seen in Hongkong yesterday morning when a complicated system of luminous rings and arcs appeared round the sun which was surrounded by a concentric circular ring.

Although it started about 9.30 a.m. it was not noticed by the public for nearly an hour later and eventually, as the news of the phenomenon got around, thousands of people left their offices and homes to get a glimpse of the dazzling spectacle. In some of the schools students watched it through specially smoked glass.

This is the commonest form of solar halo and is quite frequently seen in Hongkong," Mr. C. W. Jeffreys, Director of the Royal Observatory, told the Daily Press yesterday.

Describing the phenomenon, Mr. Jeffreys said that the sun was surrounded by a concentric circular ring, having an angular radius of 22 degrees. Surrounding this circle and touching it above and below the sun was an elliptical ring which is very rarely seen.

It was bluntly stated as Japanese policy by the Kokumin, and it was fully borne out by the Wang agreement.

FOR YEARS the Japanese have insisted on the lack of "sincerity" on the part of China. The "Yangtze Incident" of December 1939-January 1940 is well fit to illustrate for the American people and their government what kind of "sincerity" they can expect from Japan's rulers—Anasazi.

EDITORIAL

Received By Governor

Continued from Page 1

end in view that the changes introduced during the past three years have been instituted.

It has proved no easy task to overhaul and recast a system that has worked and worked well for nearly seventy years. Such an undertaking is never popular and Mr. Chau and his colleagues deserve much credit for their willingness to accept the responsibility in the face of very serious problems.

The Prime Minister said that he had endeavoured to obtain an accurate account of what the French Premier had said and, until he received it, he would prefer not to make any comment.

London, Mar. 14 (Reuter)—Replying in the House of Commons to the Prime Minister's statement on the Soviet-Finnish peace, Major C. R. Attlee, Leader of the Labour Opposition, said that all were agreed in the admiration of Finland's struggle and, while all were relieved that the slaughter had been stopped, all deeply regretted the success of the aggression (loud cheers).

Certain outstanding questions still remain to be settled, but I have every hope that now that agreement has been reached on general principles, Mr. Lee and his colleagues will be able to find a solution to these problems.

One thing I wish to make clear at this juncture. It is, I think, inevitable that the Government grant to the Tung Wah Corporation will in future remain at a high figure and there are certain conditions which must attach to such a grant. Those conditions govern all Government expenditure and cannot be foregone.

DEFINITE FIGURES

In the first place, there must be definite figures before the Legislative Council when the Colony's estimates are being drawn up showing clearly how the proposed grant for the next year is to be expended; secondly, the Tung Wah Directors must realise that they may not over-expend that grant without bringing a liability upon the Tung Wah Corporation; and thirdly, the expenditure of the grant must be subject to the same financial and audit control as all other Government votes have to undergo.

H. E.'s TRIBUTE

These conditions are in no way onerous and I can assure you gentlemen that close and conscientious observance of them will bring in its train harmonious and tranquil administration of this great corporation's responsibilities.

I cannot close without a tribute to the invaluable assistance of Sir Robert Kotewall and the other members of the Advisory Board, in particular Mr. M. K. Lo, Mr. T. H. Chau and Dr. Li Shu-fan, who have served or are serving on the Medical Committee. Membership of the Medical Committee is no sinecure and I am most grateful to these gentlemen for their willingness to add this to their many public activities.

I have followed with much interest Mr. Lee's statement of policy. I observe gladly the new Committee's enthusiasm and I wish them all success in their undertakings.

A.S. Watson & Co.'s Report

The General Managers and the Directors of A. S. Watson and Company, Limited, report that the balance at credit of Profit and Loss Account on October 31, 1939, for the year under review, after providing for all bad and doubtful debts, allowing for depreciation of Aerated Water and other machinery and plant, motor transport, furniture, fittings and trade utensils, &c., amounts to \$378,779.41, to which has to be added the balance brought forward from last year \$31,848.30 leaving available for appropriation a total of \$400,627.71.

It is proposed to allocate this amount as follows:—

To pay a Dividend of 80 cents per Share absorbing \$120,000.00
To pay a Bonus of 48 cents per Share \$7,500.00
To transfer to General Reserve \$150,000.00
To transfer to Chinese Staff Superannuation Account 10,000.00
To write off Building Improvements 14,771.87
And Carry Forward to next account \$8,855.84
\$400,627.71

The Y's Men's Club Ladies Night took place last evening at the St. Francis Hotel.

LEGISLATIVE COUNCIL

Continued from page 5

be no attempt at evasion. By paying up to the full in accordance with the legal liability of each, and by assisting the administration in every way possible, so that the maximum amount collectable under the measure may be raised, the Colony will justify the Committee's hope, and honourably carry out its obligation as a part of the British Empire.

DR. LI SHU-FAN

The Hon. Dr. Li Shu-fan said: Your Excellency—From the pursuit of the last Hongkong Hansard, I perceive that during my leave of absence from the Colony, some of the most momentous debates in the annals of this Council took place on the question of a war revenue tax. I am only sorry that owing to my unavoidable absence, I was unable to contribute my humble share in the Council's deliberation.

Now that the Report of the War Revenue Committee has been embodied into the present proposal, I do not wish to take up any more time than to express my gratitude to my Unofficial colleagues and to the Members of the War Revenue Committee, on which Government has in mind

the Colony's obligation as a part of the British Empire.

THE HONG KONG PENINSULA HOTEL; HONGKONG HOTEL; REPULSE BAY HOTEL; & SHANGHAI ASTOR HOUSE; PALACE HOTEL; HOTELS LIMITED.

In association with the Grand Hotel des Wagons Lits, Peking.

four months period is, therefore, valent of £100,000 at 1/24 to the \$12,000,000

EXPENDITURE

Coming to expenditure proposals, it may be more convenient if they are looked at over the longer period of twenty-four months, as the ship-building programme which Government has in mind could not be completed within twelve.

The three heads under which this special expenditure will fall are first, the cost of the temporary War Revenue Department, secondly, the abnormal recurrent expenditure imposed on the Colony by war conditions, and, thirdly, the cost of ship building for war purposes. The following schedule contains the estimated expenditure under the two former heads over a twenty-four months period.

HEAD

	Annual Rate	Two Year Basis
1. War Revenue Department	\$ 400,000	\$ 800,000
2. Excess War Expenditure:		
(i) Volunteer Forces	96,800	1,939,200
(ii) Censorship Department	347,200	694,400
(iii) Internment of Enemy Aliens	109,600	219,200
(iv) Department of Information	35,200	70,400
(v) Shipping Control Board	9,600	19,200
(vi) Food Control	76,000	152,000
(vii) Miscellaneous	24,000	48,000
	\$1,971,200	\$3,942,400

Given a revenue of \$12,000,000 there would remain a balance available for the construction of ships to be presented to His Majesty's Government of \$8,057,800.

GOVT. INTENTIONS

At the moment, however, Government's intentions in that direction do not exceed \$5,000,000, thus leaving an ample margin for faulty estimation, short collection or it may be, further gifts in cash or kind.

Those intentions are to build two minesweepers and four harbour defence craft for the Royal Navy and two ferry tenders for the Army. It will be appreciated that it is impossible at this stage to give further details as to the full significance and seriousness of this war.

As we are aware, Germany has repeatedly avowed, according to Press reports, that her one aim is the total destruction of the British Empire, of which this Colony is a component part.

Application will be made in Finance Committee after this meeting for a supplementary vote to cover the estimated expenditure which I have just described. The figures in the schedule which will be put before the Committee will not correspond exactly with those which I have given, however, as for the sake of greater intelligibility I have avoided in this statement.

It is my fervent hope that all sections of this Colony will unite in a firm resolution of purpose and of unswerving loyalty to our cause—the successful prosecution of this war.

Sir, I endorse the sentiments so ably conveyed, on behalf of the Chinese Community, by the Senior Chinese Colleague, the Honourable Mr. M. K. Lo, in support of the motion.

RESOLUTION II

The Hon. Mr. Butters said: Sir—I rise to propose the second resolution standing in my name that this Council approves the gift to His Majesty's Government of £100,000 as a monetary contribution from the Colony of Hongkong towards the prosecution of the war with Germany.

The General revenue balance of the Colony on 31 December 1939 was approximately \$16,865,000. As Honourable Members are aware, expenditure on loan works authorized under the 3½ Dollar Loan, 1934, to the extent of \$11,140,000 has been temporarily charged to Surplus Balance pending the second issue of bonds, while further advances on additional loan works have been similarly made against a proposed future loan.

REVENUE SATISFACTORY

Details of this expenditure are given in Appendix VI (b) and (c) of the printed estimates. But revenue figures continue to be satisfactory and receipts so far this year have generally been in excess of the estimated. Apart from the revenue the taxes proposed under the War Revenue Ordinance the Colony is in a financial position to make an immediate cash gift to His Majesty's Government.

They should make all residents in Hongkong feel that the Colony should make this cash contribution, not grudgingly, but freely and enthusiastically, and in a spirit of thankfulness that, in spite of the war, the Colony should be able to make such a gift out of its surplus, and without diminishing such surplus to a point endangering the Colony's financial stability.

Continued on Back Page

THE HONG KONG PENINSULA HOTEL; HONGKONG HOTEL; REPULSE BAY HOTEL; & SHANGHAI ASTOR HOUSE; PALACE HOTEL; HOTELS LIMITED.

Mayo's
HONG KONG SHOPPE

NEW SUMMER HATS
ALL SHADES & STYLES

A FEW EVENING DRESSES

Gloucester Arcades.

LATEST FLORAL PRINTS
FOR AFTERNOON WEAR

ATTRACTIVE LINE OF EVENINGS
COTTON PRINTS & HATS

RIVELLE

Gloucester Arcade

Tel. 33185

FOR A PERFECT PORTRAIT

CALL IN AND SEE

STUDIO DE LUXE

PEDDER BLDG.

4th FLOOR.

The Quality Appeal In Underwear Of Today

THOSE whose memory can take them back two or three decades will agree that underwear has undergone remarkable changes, more particularly in providing adequate warmth and protection against chills while being reduced in weight to a most amazing degree.

Interlock Fabrics

The makers of interlock fabrics have succeeded in producing something which is completely efficient when used in the form of a garment, and which has a distinctness in appearance and handle which is most pleasing.

It is not surprising that designers of underwear have in recent years excelled themselves in bringing out lingerie which certainly deserves to be called charming and the wisdom of wear which is obtained from these garments certainly proves that they are remarkably good value.

Noteworthy

The ladies' section of the trade is particularly noteworthy in these laundry.

respects, although they have not a monopoly of the good things. Children benefit by the light, well-ventilated under-garments which allow them plenty of freedom when indulging in games.

Fine Reputation

There is a reliability about these goods which has enabled them to build up a fine reputation. There is no doubt that the improvements in laundry methods has had something to do with this, but it must not be overlooked that the manufacturers have been careful to select the wool, cotton and artificial silk yarns which will give the best results.

There are, too, the finishing processes which ensure that the garments made from these fabrics will not shrink in the wash nor lose their colour, however many times they may be sent to the laundry.

3 SIMPLE HANDKERCHIEF EDGINGS

LINEN HANDKERCHIEFS
with a crochet edging are over an acceptable hit, the hand work giving that individual touch which factory-made goods lack. The less experienced needlewoman will find that she is quite capable of working the three simple edges described below, while the more competent crochet worker will find that, although simple, the designs are very effective.

When worked in No. 100 Mercer cotton, these edges each measure just on half an inch in depth.

Abbreviations: Dc, double crochet; ch, chain; tr, treble; dtr, double treble (cotton over hook twice); p, picot (5 ch, dc into 2nd ch, 1 ch); dpt, double picot loop (5 ch, dc into 2nd tr) twice, 1 ch; tpt, triple picot loop (6 ch, dc into 2nd) 3 times, 1 ch.

Edge No. 1

1st row: Dc closely all round, starting at corner and working 5 dc into each corner.

Edge No. 2

1st row: Dc closely all round, starting with 5 dc into corner.

2nd row: Start working from 3rd dc from extreme corner, to miss 5 dc at corners, and 7 dc along sides, dc into next dc, p, miss 4 dc, dc into next dc, p, 3 times, into same dc, miss 4 dc, dc into next repeat from all round.

Edge No. 3

1st row: Dc closely all round, working 5 dc into corners.

2nd row: (tr, op, tr) into corner dc, miss 3 dc, dc into next p, miss 4 dc, dc into next, p, miss 4 dc, dc into next, miss 3 dc, dc repeat from all round.

A TOUCH OF SOPHISITATION



June Pfeiffer's sophistication is shown in this new picture, which she wears for both day and evening wear. The hair is parted on the side, brushed off the temples, and fore-head with a cluster of curls on the top of the head.

WOMEN'S INTERESTS

Concentrate On Details For The Summer

WE ALL KNOW HOW SHABBY a winter garment can look when we emerge in it on some fine day in spring. Those brighter lights search out all the weak spots and signs of wear that we had not noticed during the duller days. The same thing is true of our complexions. After the winter most of us have accumulated a few defects which now become glaringly noticeable. So be wise in good time. Study yourself carefully and decide what you would wish to alter and how you mean to do about it.

There is nothing more attractive than a skin that can bear the closest scrutiny in the open air. But how many of us can boast of this?

BEAUTY FAULTS

EVEN THE YOUNGEST will often become aware of some slight beauty fault when she takes out her vanity mirror on the tennis court or beach. Do not bury your head in the sand ostrichwise and hope that others cannot see it too.

For instance, it is quite a usual thing to see a distinct darkness of the down on the upper lip. This, of course, is most apparent in brunettes, and though it may never develop into superfluous hair it is not becoming and should be coped with.

Peroxide of hydrogen, if properly used, will lighten that down so as to make it imperceptible. But there is a wrong and a right way to use peroxide. It should be dabbed on with a wad of cotton wool, allowed to dry and then washed off.

Mixed with a little ammonia, it will have a doubly speedy effect, but do not continue to bleach the down until it is almost white, for that is just as marked a contrast with a brunette or olive complexion.

ANOTHER DEFECT

ANOTHER DEFECT which troubles itself at this time of year is a tendency to enlarged pores, and this is not confined to dark skins.

There is nothing that will so surely destroy a look of freshness as this coarsened texture.

These enlarged pores usually appear at the corners of the nose and mouth, and they are due to a role to a sluggishness of the sebaceous glands.

This condition should be treated the moment it appears, as it will get worse if not checked.

THE REMEDY

BUT A GOOD MEDICATED FACE SOAP and have a new, but soft nailbrush. Put in a basin with warm water, rain water if you can possibly get it, and with the brush and the soap gently scrub your face and work up a lather on it.

Do not scratch or scrub too hard, but friction firmly.

Dry your face with a soft towel.

I'M GOING TO HAVE NICER NAILS . . .

Here are a few hints to go on:

1. Renew your nail varnish at least every two days, and try to take the old off before you go to bed so that the nails can have breathing space through one night out of three. Rub on a nail oil.

2. Dab firmly with brittle nails.

2. and white patches. Leave varnish off for a few days. Soak the nails for ten minutes in warm olive oil. Take calcium tablets. Put on a protective base before the varnish, and use an oily type remover.

3. Scrub your nails with a special softening cream to feed the cuticles and make them pliable.

4. Never use steel implements when manicuring. File your nails with emery-board. Never, never cut them.

5. Shape nails to suit your type. Hand-painted aren't everybody's nail trim. Experiment.

6. Don't wear coloured nail varnish indiscriminately. Tone up with the colours you are wearing. Deep shades and the new pearly varnish are fine for evening; brown and bronze hints with tweeds; pastel for daytime.

7. Remember that two thin coats of varnish stay on longer than one thick coat, and don't chip so easily.

8. And finally resolve to make a real clearance of those numerous old bottles of varnish on your dressing-table. If the varnish has become too thick to use, thin it down with a few drops of polish remover.

A NEW CREATION



Rows of white lace in minute ruffles accent this black crepe dinner gown, worn by Joan Crawford. Interest centers in unusual neckline and skirt slit to the knee, with hem and slit border of lace.

Round The Shops

EASTER ALWAYS STRIKES A JOYOUS NOTE IN FASHION DISPLAYS—that gladsome blend of refreshing colour that everyone should strive to achieve in these troublous times, when every effort towards happiness and cheerfulness is necessary to face what is ahead of us.

Hongkong's millinery houses are doing their part in inducing their patrons to keep up this spirit of cheerfulness in their exquisite displays this week.

Summer Hats:

A call at Lane, Crawford's Ladies' Salon, for instance, will prove irresistible to feminine shoppers this week. The grandest and most attractive selection of Summer Hats are on show, in as wide a range as it is possible to conceive and at prices that are surprisingly reasonable when one realizes the difficulties of importing goods from abroad in these times. The styles on display are the very latest—they arrived in the Colony in a new shipment—and they can be had in straws of white, navy, brown, and tasteful colours either with or without veil. It is hard to see how anyone can after a visit to Lane, Crawfords.

Straws for Fashion:

Straws will be all the vogue this summer in Hongkong. Mayo's in the Arcade have also got a beautiful selection of the latest models out on show. The styles are chic and pert and will add to the smartness of the wearer, who will have a large variety of dark and light shades of these dainty straws to choose from. Mayo's sale of dresses, by the way, proved most popular amongst Hongkong's womenfolk and they sold out nearly all their stock. They have, however, a few evening models left, which will no doubt be quickly bought up during the week, which says a lot for the high quality and style of goods the firm provides for their customers.

Floral Prints:

The daintiness of floral prints for spring and summer wear is acknowledged by the leading fashion houses we world over and in Hongkong their popularity is always assured. Rivelles, in the Arcade, have a delightful range of floral prints in silk for afternoon wear and some charming designs in cotton for the morning. Prints in these lovely prints have a charm and chic of their own that is particularly attractive for the present season and Rivelles should have a quick sale of this line. A special line which Rivelles has to offer this week is in flower toques for weddings, a real smart wear while she also has a small selection of maternity gowns.

SHOWING TO-DAY

LARGE SELECTION

OF

THE LATEST MILLINERY

IN

WHITE STRAWS,

NAVY BROWN

AND

OTHER COLOURS.

LADIES' SALON

LANE, CRAWFORD, LTD.



Ramada
SUPERIOR WOOL
A OVER-LOOM PRODUCT
KNITTING
YARN

Wise women knit to fit with 'Ramada' An exceptionally soft and kind wool, with wonderful wearing qualities and colours that are absolutely fit to knit and wash. The colours never vary and you can match up any shade of 'Ramada' wool at any time.

**YES! It washes.....
NO! It never shrinks.....**

W. H. & C. LTD., Vigo House, Nottingham, England.

SELECTION IN SUMMER HATS

Also ORDERS TAKEN

Reme

High - New

NEW MILLINERY ARRIVING

SHORTLY

Asia Life Building,
2nd Floor.

Room 514
Tel. 22748.

Hats Again:

Studio de Luxe:

A choice selection of new millinery has arrived at Reme's, in the Asia Life Building. Summer hats there are in a wonderful range of styles and shades with "latest" stamped in their appearance. But don't forget that Reme also takes orders for any particular fancies in headgear that her customers may have. Her remodeling department, under her personal supervision, has never failed to give satisfaction.

SINKIANG—THE NEW DOMINION OF CHINA

Forming a vital aerial and highway link between Free China and Europe, Sinkiang Province or Chinese Turkestan is making slow but steady progress on the nation's reconstruction front. (Sinkiang in Chinese means the New Dominion.)

Four times the size of Szechwan Province, Chinese Turkestan is entering the second year of its second three-year programme, having completed its first one in 1933 with many new small industries, hospitals, schools, roads and power plants to its credit. In its administrative programme for 1940, the province is placing special emphasis on development and industrialization. Today this important link between China's Northwest and the Asiatic mainland of the U. S. S. R. is not only an international outlet for Free China but is also a land of tremendous potentialities.

The minerals of Chinese Turkestan are abundant: sulphur, salt-peter and alum are found extensively in the environs of Uch-Turjan and Yarkand; jade-stone and gold in the K'uenlung range; lead, naphtha, coal, and copper to the west of Kashgar; coal at Turfan; rock-salt east of Aksu, and north of Turfan. The Chinese Government has invested \$750,000 on one gold mine in the province, which is at present producing 15,000 ounces of gold a year.

Coal is cheap in Sinkiang. So far no big mines have been developed. The province produces only 20,000 tons a year. To date the government has invested \$300,000 in exploiting coal veins in Chinese Turkestan.

FLOUR MILLS

Side by side with the promotion of handicrafts, the Sinkiang provincial authorities have established in Urumchi (Tibwa), Ili, and in other big cities, chemical works, mechanical repair shops, flour mills, tobacco and canning factories, and tanneries.

But the real future of Chinese Turkestan lies in farming and animal husbandry. Approximately \$4,000,000 have been invested in establishing model agricultural stations, veterinary hospitals, and schools. In animal husbandry alone, the government has invested more than \$2,000,000. The agricultural wealth of Chinese Turkestan consists of wheat, (C. I. C.)

TOO LATE AGAIN!

Pope's Grave Words

LONDON, Mar. 14 (Reuter)—Mr. Lloyd George was sharply critical of the Government in a comment on the Finnish surrender.

The Government, he said, was always too late in taking action when the life of small neutrals was at stake.

They were too late for Czechoslovakia, too late for Poland and certainly too late for Finland.

"They are always too late, or give too little; or they are too late, with too little."

TIBETAN REGENT'S THANKS

CHUNGKING, Mar. 14 (Central)—The Regent of Tibet, Regent of Tibet, has submitted a telegraphic report to the National Government on the enthronement of the 14th Dalai Lama in Lhasa on Feb. 22. The telegram also acknowledges the precious gifts presented by Gen. Wu Chung-hsin, Special Envoy, to the new Tibetan temporal pontiff on behalf of the National Government.

CABLE TO LIN SEN

SHANGHAI, Mar. 14 (Reuter)—The Regent of Tibet in Lhasa Jakchen Hutuktu has wired to Mr. Lin Sen, Chairman of the Chinese National Government, expressing thanks on behalf of the new Dalai Lama, to whom large quantities of gifts were presented on his enthronement on Feb. 22, says the Sin Wan Pao.

RIBBENTROP REPORTS

BERLIN, Mar. 14 (Reuter)—Herr Hitler obtained first-hand information about the Rome talks yesterday when Herr von Ribbentrop, the Nazi Foreign Minister, made his report immediately on his arrival in Berlin.

BRITAIN IS NOW SPENDING £6,500,000 A DAY

LONDON, Mar. 14 (Reuter)—The Chancellor of the Exchequer, Sir John Simon, moving the vote for a credit of £700,000,000, said that the Navy, Army, Air and Ministry of Supply were costing nearly £4,000,000 daily.

Lumping together all expenditure, including debt charges and social services, Britain was at present spending about £6,500,000 daily.

SECRECY IN WAR

MAJOR-GEN. BEITH EXPLAINS

Major-Gen. Beith, Director of Public Relations, War office, speaking at an exhibition of war photographs, opened recently at Simpsons, Piccadilly, W. 1, emphasised the vital need for secrecy in wartime.

Army life was conducted and war precautions were conducted in secret. The use of the long-distance bombing aeroplane had made the transport of troops and supplies difficult.

Speaking of the transportation of the B. E. F. to France, and the arrival of the Canadian contingent in Britain, Maj.-Gen. Beith declared that it was a miracle of organisation. "The whole story cannot be told yet, but history has been made by it," he said. "Thanks to the organisation, the enemy had only the very vaguest idea of our strength, or of our disposition."

Italo-German Ties Weaken

LONDON, Mar. 14 (Reuter)—The Buenos Aires paper *Nación* applauds the common-sense solution of the Italian coal dispute.

The *Elidia de la Pata* considers the solution a victory for Britain and the weakening of Italo-German ties. The paper says: "The undoubted security of the convoy system is proved by the voyage of the Queen Elizabeth."

NAZI MENACE

The Worcester Telegram says: "The decent part of the world desires the dissolution of Hitlerism, but the world is not seeking the dissolution of Germany. Britain and France are fighting, not to dismember the German nation, but to free themselves from the menace of a ruthlessly expanding Germany."

UNITY OF PURPOSE

The New York Post, under the headline "British Dominions Show Unity of Purpose to End Rule of Aggression," says: "According to present indications, contributions from the British possessions will greatly exceed what the British Empire was able to contribute in the last war. Co-operation between England and the Dominions is greater than ever before."

One man was killed and three others were slightly injured by an explosion in a waste pipe outside the workshop of a North Wales factory. The man killed was Griffith Evans, aged 50, of Church-place, Penrhynraeth.

"MOTHER OF GUERRILLAS" RESUMES ACTIVITY

Not content with her past achievements, Madame Chao (Hung Wen-kuo), that rugged "Mother of Chinese Guerrillas," left Chungking on February 26 for the countryside in Szechuan to spread one gospel of conscription. During her travels, which will require a period of three months, she will be accompanied by two persons.

Madame Chao's decision to arouse the national consciousness of the countryfolk, she said, was prompted by interviews with Madame Chiang Kai-shek and Dr. Sun Fo, China's First Lady. She quoted to have said that "if women are not timid, military men will not be cowardly." Madame Chao will visit 15 different places west of Chungking. She said that if the present tour proves successful, she will visit other provinces.

Madame Chao, now over 60 years of age, said in an interview that she would try to meet as many country mothers as possible and tell them that it is their duty to send their sons and daughters to the front in order to drive the enemy away. Speaking of her own family, she said that her two elder sons have sacrificed their lives for the country, while her third son and eldest daughter are now on the North China front. (C. I. C.)

LEND TO WIN THE WAR

Lending to the limit was the one way to win the war, said Mr. W. Buchanan-Taylor, joint honorary publicity adviser to the National Savings Committee, speaking at Birmingham.

The public should realise that if sufficient money to pay for the implements of war was not obtained by lending to the Government, the money would have to come by further taxation or inflation. He described inflation as a disastrous measure.

HUNAN IS FIGHTING & RECONSTRUCTING

While fighting on its northeastern border, Hunan Province is carrying on reconstruction work at the rear with equal intensity.

Everywhere in the province which not long ago was the scene of China's biggest victory since the famous Talerhchwang battle, farmers are sweating from dawn to dusk, factories are buzzing with activity and new mines are being excavated to meet the nation's call for increasing production. In the western part of the province, away from the rich rice-producing regions along the Tungting Lake, the largest water reservoir in China proper, the Hunan authorities are launching a cotton-planting programme.

In one district alone the area of co-operative cotton-farms has exceeded 43,000 mow. The working stations of the provincial farm improvement bureau have purchased best cotton seeds for distribution among the farmers. In addition to the existing cotton farms, 200,000 more mow of land will be devoted to cotton growing. The production is expected to meet the demand in the Hunan Cotton Mill No. 1, which was established with government assistance.

Hunan is an important wood oil producing province. In addition to four model districts for growing wood oil trees, a movement to encourage cultivation of this useful plant in every village and town has been launched. More than 10,000,000 wood oil trees and seedlings were grown last year.

Another important Hunan product is tea, of which the production, manufacture and marketing are government-controlled. The Hunan Tea Corporation loaned \$3,000,000 last year for improving the quality of tea.

On the other hand, it has collected more than 100,000 caskets of black tea, produced much brick tea, one of China's important barter items.

Rich in deposits of gold, silver, iron, copper, lead, zinc, antimony, and sulphur, Hunan is the busy working centre for Chinese metallurgical experts. It is still an important center of heavy and mining industries in Free China. (C. I. C.)

"July 7" Spinning Jenny Gaining Popularity

The wooden "July 7" jenny which spins 23 counts of Yarn simultaneously, has been gaining popularity since it was first introduced in Free China more than a year ago. Last November it was reported that 21,000 of them were already in operation in 34 countries in Szechuan. More have been built since in order to meet the growing demand in the country.

This easy-to-operate, inexpensive jenny has become a boon to numerous farmers in the interior who used to remain idle during the cold months. In their spare time, the peasantry are now to be found spinning cotton or woolen yarn with a daily production of one catty. The adept can produce more. Realizing its high practicability, the National Agricultural Production Promotion Commission is vigorously extending it into other provinces.

The "July 7" jenny, as its name suggests, is a wartime product invented and perfected by H. V. Moh, Wisconsin-Illinois trained cotton industrialist, now head of the Agricultural Production Promotion Commission.

ONLY ONE MONTH

The commission has been training numerous persons to operate the machine. In the past year, more than 6,000 men and women have graduated from its free schools which are scattered over Hupeh, Shensi, Honan, Chekiang, Kwangsi, Kweichow and Szechuan provinces. These graduates, it was explained, in turn train their relatives and friends. It takes only one month for a beginner to learn the rudiments of spinning with the machine.

Mr. MacDonald pointed out that the two Malayan delegates, to whom Mr. Stokes referred, had performed their duties with great skill and to the benefit of the Malayan industry for many years and he added that he was satisfied that the decisions taken by the delegation as a whole were in accordance with the wishes of the majority of producers in Malaya.

Meanwhile, the cotton mills in Szechuan and Yunnan are also increasing their production. The Yu Fong Cotton Mill in Chungking and the Yunnan Cotton Spinning and Weaving Factory in Kunming are now operating 12,000 and 5,200 spindles, respectively. It is understood that the Yunnan authorities are planning to establish a 26,000-spindle mill soon, in co-operation with the Bank of China and private interests. (C. I. C.)

COLONY HEALTH

Sixteen cases of tuberculosis, three cases of small-pox, four cases each of chicken-pox and dysentery, three cases of diphtheria, two cases of cerebro-spinal fever and one case each of scarlet fever and enteric fever were notified to the Health Department on Mar. 13.

The public should realise that if sufficient money to pay for the implements of war was not obtained by lending to the Government, the money would have to come by further taxation or inflation. He described inflation as a disastrous measure.

THE *Right* LABEL

"White Label"

DEWAR'S Superior Whisky

SOLE AGENTS:

A. S. WATSON & CO., LIMITED.

TEL. 20816.

DARRYL F. ZANUCK'S PRODUCTION OF

THE RAINS CAME

by LOUIS BROMFIELD

A 20th Century Fox picture starting

Myrna Tyrone George LOY-POWER-BRENT

BRENDA JOYCE · NIGEL BRUCE · MARIA CUSPENSKAYA · JOSEPH SCHILDKRAUT · MARY NASH · JANE DARWELL · MARJORIE RAMBEAU · HENRY TRAVERS · H. B. WARNER

Directed by CLARENCE BROWN

SPECIAL ADMISSIONS

OPENS AT TO-DAY THE KING'S

ROSY FINGERS BRING ROSY FUTURES

Men never can resist the appeal of soft, lovely hands with rosylipped fingers . . . So take your future in your hands . . . accent your personality with different shades of La Cross Creme Nail Polish—THE PRESTIGE POLISH THAT LOOKS BETTER AND LAST LONGER.

La Cross Creme Nail Polish

Obtainable at all better Drug & Department stores
Sole Distributor,
Auw Pit Seng's Trading Co., Ltd., Hong Kong

NINGPO - SHANGHAI SHIPPING N. CHINA REFUGEES FOR MANCHURIA

CHUNGKING, Mar. 14 (Central)—The Japanese are inducing large numbers of refugees who have come to Tientsin as a result of the famine in Hopei to go to Manchuria to work, says a Tientsin dispatch.

About 3,000 refugees are leaving every day with permits of entry into Manchuria issued by the so-called "Manchuria Peace Labour Union" in the Third Special Administrative District.

Buyers	Sellers	Sales	Nominal	THURSDAY 14. MAR.	Buyers	Sellers	Sales	Nominal
\$1485	\$1495	1600	H.K. Banks	291	H.K. Banks	291	\$1495	
...	...	291	Do. (Col. Reg.)	291	Do. (Col. Reg.)	291	291	
...	...	291	Chartered Banks	291	Chartered Banks	291	291	
...	...	291	Mercantile Bks. "A"	291	Mercantile Bks. "A"	291	291	
...	...	291	Mercantile Bks. "C"	291	Mercantile Bks. "C"	291	291	
...	...	277	Bank of East Asia	277	Bank of East Asia	277	277	
...	...	81	N. C. & R. Banks	81	N. C. & R. Banks	81	50 cts.	
...	...	8233	Insurances	8233	Insurances	8233	8233	
...	...	81	Canton Insurances	81	Canton Insurances	81	81	
...	...	81	Union Insurances	81	Union Insurances	81	81	
...	...	81	Underwriters	81	Underwriters	81	81	
...	...	81	H.K. Fire	81	H.K. Fire	81	81	
...	...	81	Shipping	81	Shipping	81	81	
...	...	810	Douglas	810	Douglas	810	810	
...	...	8100	Steamboats	8100	Steamboats	8100	8100	
...	...	8100	Indo-China (Prod.)	8100	Indo-China (Prod.)	8100	8100	
...	...	8100	Indo-China (Dev.)	8100	Indo-China (Dev.)	8100	8100	
...	...	78/9	Shells	78/9	Shells	78/9	78/9	
...	...	77	Waterboats	77	Waterboats	77	77	
...	...	77	Docks, Wharves, Godowns, etc.	77	Docks, Wharves, Godowns, etc.	77	77	
...	...	8105	H.K. & K. Wharves	8105	H.K. & K. Wharves	8105	8105	
...	...	810	Providents	810	Providents	810	810	
...	...	810	Providents (new)	810	Providents (new)	810	810	
...	...	822.90	H.K. & W. Docks	822.90	H.K. & W. Docks	822.90	822.90	
...	...	822.90	Do. (new)	822.90	Do. (new)	822.90	822.90	
...	...	838	Shanghai Docks S.	838	Shanghai Docks S.	838	838	
...	...	838	New Engineering S.	838	New Engineering S.	838	838	
...	...	838	Mining	838	Mining	838	838	
...	...	838	Kailan	838	Kailan	838	838	
...	...	838	Baobei	838	Baobei	838	838	
...	...	838	Venezuela Gold Fds	838	Venezuela Gold Fds	838	838	
...	...	4 cts.	Hong Kong Mines and Lands, Hotels and Buildings	4 cts.	Hong Kong Mines and Lands, Hotels and Buildings	4 cts.	4 cts.	
...	...	864	H.K. Hotels	864	H.K. Hotels	864	864	
...	...	864	H.K. Lands	864	H.K. Lands	864	864	
...	...	864	Do. 4% Debentures	864	Do. 4% Debentures	864	864	
...	...	864	Shanghai Lands S.	864	Shanghai Lands S.	864	864	
...	...	864	H.K. Railways	864	H.K. Railways	864	864	
...	...	864	Humphrey	864	Humphrey	864	864	
...	...	864	Chinese Estates	864	Chinese Estates	864	864	
...	...	864	Cotton Mills	864	Cotton Mills	864	864	
...	...	864	Ewo. (S.)	864	Ewo. (S.)	864	864	
...	...	864	Shai Cottons (S.)	864	Shai Cottons (S.)	864	864	
...	...	864	Zoog Singe (S.)	864	Zoog Singe (S.)	864	864	
...	...	864	Wing On Textiles (S.)	864	Wing On Textiles (S.)	864	864	
...	...	864	Public Utilities	864	Public Utilities	864	864	
...	...	864	Tramways	864	Tramways	864	864	
...	...	864	Peak Trans. (old)	864	Peak Trans. (old)	864	864	
...	...	864	Peak Trans. (new)	864	Peak Trans. (new)	864	864	
...	...	864	Star Ferries	864	Star Ferries	864	864	
...	...	864	Y'mai Ferries	864	Y'mai Ferries	864	864	
...	...	864	Do. (new)	864	Do. (new)	864	864	
...	...	864	China Lights (O)	864	China Lights (O)	864	864	
...	...	864	China Lights (New)	864	China Lights (New)	864	864	
...	...	864	China Lights (R)	864	China Lights (R)	864	864	
...	...	864	H.K. Electric	864	H.K. Electric	864	864	
...	...	864	Macao Electric	864	Macao Electric	864	864	
...	...	864	Hankow Lights	864	Hankow Lights	864	864	
...	...	864	Telephones (old)	864	Telephones (old)	864	864	
...	...	864	Telephones (new)	864	Telephones (new)	864	864	
...	...	864	Tractors (prod.)	864	Tractors (prod.)	864	864	
...	...	864	Industrials	864	Industrials	864	864	
...	...	864	Cald. Macg. (Ord.) S.	864	Cald. Macg. (Ord.) S.	864	864	
...	...	864	Cald. Macg. (Prod.) S.	864	Cald. Macg. (Prod.) S.	864	864	
...	...	864	Canton Ins.	864	Canton Ins.	864	864	
...	...	864	Commodes	864	Commodes	864	864	
...	...	864	Ropes	864	Ropes	864	864	
...	...	864	Miscellaneous	864	Miscellaneous	864	864	
...	...	864	Dairy Farm (Old)	864	Dairy Farm (Old)	864	864	
...	...	864	Dairy Farm (New)	864	Dairy Farm (New)	864	864	
...	...	864	Ch. Entertainments	864	Ch. Entertainments	864	864	
...	...	864	Constructions (old)	864	Constructions (old)	864	864	
...	...	864	Constructions (new)	864	Constructions (new)	864	864	
...	...	864	Lane Crawfords	864	Lane Crawfords	864	864	
...	...	864	Nanyang Tobacco	864	Nanyang Tobacco	864	864	
...	...	864	Sincocks	864	Sincocks	864	864	
...	...	864	Watsons	864	Watsons	864	864	
...	...	864	Ch. G. 8% 1926 G. Bds.	864	Ch. G. 8% 1926 G. Bds.	864	864	
...	...	864	H.K. Govt 4% Loans	864	H.K. Govt 4% Loans	864	864	
...	...	864	H.K. Govt 2 1/2% Loan	864	H.K. Govt 2 1/2% Loan	864	864	
...	...	864	1913 (Ldn. Is.)	864	1913 (Ldn. Is.)	864	864	
...	...	864	Chinese 5% Reorg. Loan.	864	Chinese 5% Reorg. Loan.	864	864	
...	...	864	1912	864	1912	864	864	
...	...	864	Chinese 8% Ster. Notes.	864	Chinese 8% Ster. Notes.	864	864	
...	...	864	1925 (Vickers)	864	1925 (Vickers)	864	864	
...	...	864	Chin. Imperial Rly. 5%	864	Chin. Imperial Rly. 5%	864	864	
...	...	864	Loan	864	Loan	864	864	
...	...	864	after 1952	864	after 1952	864	864	
...	...	864	994	864	994	864	864	
...	...	864	Canton-Kloon Rly. 5%	864	Canton-Kloon Rly. 5%	864	864	
...	...	864	Chinese 4% Gold Loan	864	Chinese 4% Gold Loan	864	864	
...	...	864	1898 (Brit. Issue)	864	1898 (Brit. Issue)	864	864	
...	...	864	Chinese 5% Gold Bonds.	864	Chinese 5% Gold Bonds.	864	864	
...	...	864	1925-47	864	1925-47	864	864	
...	...	864	Chin. 4% Anglo-French	864	Chin. 4% Anglo-French	864	864	
...	...	864	Loan, 1908	864	Loan, 1908	864	864	
...	...	864	50	864	50	864	864	
...	...	864	Chinese 5% Crisp Loan.	864	Chinese 5% Crisp Loan.	864	864	
...	...	864	1913 (Ldn. Is.)	864	1913 (Ldn. Is.)	864	864	
...	...	864	Chinese 5% Reorg. Loan.	864	Chinese 5% Reorg. Loan.	864	864	
...	...	864	1912	864	1912	864	864	
...	...	864	Chinese 8% Ster. Notes.	864	Chinese 8% Ster. Notes.	864	864	
...	...	864	1925 (Vickers)	864	1925 (Vickers)	864	864	
...	...	864	Chin. Imperial Rly. 5%	864	Chin. Imperial Rly. 5%	864	864	
...	...	864	Loan	864	Loan	864	864	
...	...	864	55	864</				

FOREIGN MARKETS & QUOTATIONS

MONEY AND EXCHANGE

CLOSING QUOTATIONS

MARCH 14, 1940

On London:—
Telegraphic Transfer 1/3 25 33
Bank Bills, on demand 1/3 25 33
Credits, 4 months' sight 1.3 3/32On Shanghai:—
On demand 350On Singapore:—
On demand 53 3/8On Japan:—
On demand 97 1/2On India:—
Telegraphic Transfer 1/3 25 33
and demand 82On New York:—
Bank Bills, on demand 23
Credits, 60 days' sight 24On Batavia:—
On demand 42 3/4On Paris:—
Bank Bills, on demand 1063
Credits 4 months' sight 1137On Saigon:—
On demand 118On Manila:—
On demand 46On Bangkok:—
On demand 150 1/3On Sterling Notes:—
Bank Buying Rate 1/3 31/32

Bar Silver, per oz. 20 5/8

Market Report

FROM ROZA BROS.

Silver prices' dropped 3/16 yesterday for both deliveries, the quotations being 20 5/8 for both Ready and Forward. Silver advices reported the market as being quiet, with very poor support. American Silver was quoted at 34 3/4 for Spot.

The London/New York cross-rate was quoted at 402 1/2. New York/London was quoted at 377. Market!

Sterling rates were steady but the U.S. Dollar market was weak again. Sellers were not much in evidence.

Sterling
There were sellers at 1/2.27/32
March/May and 1/2.13/16 June/
September, buyers at 1/2.7/32
Cash for any delivery.

U.S. Dollars

Business was done early in the morning at 23 1/4 April and also 23 1/4 March. The market closed at 1 p.m. with possible sellers at 23 1/16 March, buyers bidding 23 3/16 March, possibly Cash.

Shanghai Dollars
Business was done at 361/2 and also 361. Sellers were offering 361 at lunch time.Shanghai Market
Sterling sellers for Spot were quoted at 41 1/8 throughout the day. U.S. Dollars opened with sellers at 6.15/32 and the market closed a shade easier at Noon with sellers for Spot at 6.18.AFTERNOON MARKET
The market was quiet in the afternoon.Sterling
There were sellers at 1/2.27/32
March/May and 1/2.13/16 June/
September, buyers at 1/2.7/32
Cash.U.S. Dollars
Sellers at 23 1/16 Cash and probable buyers at 23 1/8 for Cash.Shanghai Dollars
360.12.Shanghai Market
Sterling 4/8 and U.S. Dollars 6.11/32.

Shanghai Exchange

Shanghai, Mar. 14 (Reuter).
Official T.T. Rates

London 0/4

New York 6-1/4

Japan 26-5/8

India 22-1/8

Paris 2.94

Hongkong 28-3/4

Sellers

Opening Closing

Spot 0/4-1/8 0/4-1/8

Mar. 0/4-7/64 0/4-3/64

Apr. 0/4-3/64 0/4-63/64

U.S. Dollars

Spot 36-15/32 36-11/32

Mar. 6-7/18 6-1/4

Apr. 6-5/16 6-1/3

Market—Weak

Merchant Rates

Sterling, 0/4-1/8.

U.S. Dollars, \$613/8.

Silver Duty Rate

The Central Bank of China's rate on London at 10 a.m. today was 1/2-1/2d.

The Equalisation rate was 8-1/2 per cent.

Calcutta Exchange

Calcutta, Mar. 13 (Reuter).

T.T. on Japan, 83-1/2.

New York Exchange

New York, Mar. 13 (Reuter).

T.T. on London (Opening Rate).

372-1/2

PAYNE & CO.

COMMODITY BROKERS
STOCK EXCHANGE BUILDING
HONGKONGCOMMODITY MARKET REVIEW
(FROM PAYNE & CO.)

NEW YORK, March 13, 1940.

SINGAPORE RUBBER
SPOT 38-7/8 38-7/8 38-1/4 off 5/8
APRIL-JUNE 38-7/8 38-7/8 38-3/4 off 1/8
JULY-SEPT. 35-1/4 35-1/4 35-1/8 off 1/8

The market was quiet.

LONDON RUBBER
SPOT 12 pence 11-3/4 off 1/4
A P R I L 12 pence 11-3/4 off 1/4
M A Y 11-13/16 11-5/8 off 3/16
J U N E 11-9/16 11-7/16 off 1/8
JULY-SEPT. 11-7/16 11-5/16 off 1/8
O C T - D E C . 11-3/16 11-1/16 off 1/8

After ruling easy in the absence of interest, the market closed quietly steady.

GENERAL COMMODITIES: Washington reports that the Administration is apparently adhering to the subsidy plan inspite of some opposition should discourage short-selling in Wheat and Cotton. The latest Finnish peace news and the weakness in Sterling are keeping commodity buyers hesitant. Positions are generally very modest. We doubt the lasting effect of the Finnish peace news upon commodity prices and believe that any favourable developments should result in rapid advances.

NEW YORK STOCKS: Previous close, 148.37; Today's close, 148.32; Change, off 05.

NEW YORK COMMODITY MARKET
(REUTER'S SERVICE)

	High	Low	Close	Close	Change
New York Cotton, May	10.66	10.53	10.70	10.56	.14 off
New York Rubber, May	18.60	18.50	18.55	18.54	.11 off
Chicago Wheat, May	1034	101	1034	101	.14 off
Chicago Corn, May	561	552	561	551	.11 off
New York Hides, June	14.25	14.05	14.15	14.09	.06 off
NEW YORK COTTON					
Openning	10.75/76	10.70/76	10.70	10.56	.14 off
March	10.82/82	10.70/70	10.70/76	10.56	.12 off
May	10.86/66	10.58/59	10.58/59	10.56	.14 off
July	10.42/42	10.34/35	10.30/30	10.20	.12 off
July (New contract)	10.55 N	10.48/47	10.44/44	10.44	.11 off
October ()	9.83/84	9.85/85	9.72/72	9.72	.21 off
December ()	9.79/79	9.71/71	9.59/59	9.59	.20 off
January ()	9.75 N	9.68/68	9.55 N	9.55	.20 off
Spot	10.96 N	10.82 N	10.82 N	10.82 N	.14 off
Total sales Tuesday:—81,000 bales.					
Last notice day for March cotton:—15/3/40,					
NEW YORK RUBBER					
March	18.68b/72a	—	18.55/55	13	off
May	18.65/65	18.50/50	18.54b/55a	11	off
July	18.47 N	18.34/33	18.35b/38a	12	off
September	18.37b/40a	18.24/24	18.29/29	.08	off
December	18.20/20	—	18.05/08	.15	off
Total sales:—1,250 tons.					
Last trading day:—27/3/40.					
CHICAGO WHEAT					
May	1034/1034	1021/1021	1014/1014	14	off
July	101/101	101/100	999/994	14	off
September	1001/1001	—	984/981	14	off
Tuesday's sales:—23,143,000 bushels.					
CHICAGO CORN					
May	561/561	561/561	551/551	14	off
July	562/562	—	563/563	14	off
September	574/574	—	57/57	14	off
WINNIPEG WHEAT					
May	881B	881/874	878/874	14	off
July	892/892	—	881B	14	off
October	91 B	—	904B	14	off
NEW YORK HIDES					
June	14.15/17	14.20/20	14.08/10	.06	off
September	14.45/46	14.45/45	14.32/33	13	off
NY-London Cross Rate 3.77-1/2	—	3.77	—	—	—
SILVER MARKET					
London, Mar. 13 (Reuter).	—	—	—	—	—
Silver—Little general selling.	—	—	—	—	—
Support poor. Business very	—	—	—	—	—
small. Market quiet.	—	—	—	—	—
Spot, 20-5/8d.	—	—	—	—	—
Forward, 20-5/8d.	—	—	—	—	—
NEW YORK SILVER					
New York, Mar. 13 (Reuter).	—	—	—	—	—
Silver, Official 34-3/4.	—	—	—	—	—
BOMBAY SILVER					
Bombay, Mar. 13 (Reuter).	—	—	—	—	—
Market—Quiet. Oftake 50 bars.	—	—	—	—	—
RESERVE BANK OF INDIA STATEMENT					
Calcutta, Mar. 13 (Reuter).	—	—	—	—	—
Indian Mint Silver	Ready	57-11	57-11	57-11	57-11
	Apr. 3 Settlement	57-14	57-14	57-14	57-14
	May 1 Settlement	58-02	58-02	58-02	58-02
LONDON GOLD					
London, Mar. 13 (Reuter).	—	—	—	—	—
Bar Gold, Fine per oz., 168.	—	—			

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WEATHER REPORT

Hong Kong Royal Observatory
10 a.m., March 14.
Barometer (at sea level), 29.99 ins.
Temperature, 71 F.
Humidity, 69 per cent.
Wind Direction, E.
Wind Force (Beaufort), 3.
Temperature: maximum yesterday, 77 F.
Temperature, minimum last night, 62 F.
Rainfall for 24 hrs., ending 10 a.m. today, nil.
Total rainfall since January 1st, 232 ins.
Against an average of, 3.86 ins.
Sunset tonight, 6.32 p.m.
Sunrise tomorrow, 6.33 a.m.
4 p.m., March 14.
Barometer (at sea level), 29.90 ins.
Temperature, 68 F.
Humidity, 82 per cent.
Wind Direction, E/S.
Wind Force (Beaufort), 4.
Maximum temperature, 74 F.
Minimum temperature, 62 F.
Rainfall, nil.

HONG KONG TIDE TABLE

From 15 to 31, Mar. 1940.

Days of Week	Date	HIGH WATER.		LOW WATER	
		Hong Kong Standard Time	Height	Hong Kong Standard Time	Height
Fri.	15	h. m.	in.	h. m.	in.
		0:39	3	05	0
		13:55	6	19:52	3
Sat.	16	01:35	4	08:16	3
		13:14	6	21:54	3
Sun.	17	03:13	3	08:40	3
		14:17	6	22:54	2
Mon.	18	05:20	5	07:15	3
		15:38	6	23:55	2
Tue.	19	06:40	4	09:30	3
		17:05	5	—	—
Wed.	20	07:13	4	00:55	1
		18:30	6	11:55	3
Thur.	21	07:55	4	01:35	1
		19:25	6	13:05	1

MURDER CHARGE

An inmate of the Argyle Street Internment Camp for Chinese soldiers, Cheng Hope, died following a fight at the Camp on Wednesday, and another intern, a man named Ng Kwai-wing, appeared before Mr. E. Binsworth at the Kowloon Court yesterday on a charge of murder. No details were given in Court yesterday, a formal remand of one week being requested by the police, which was granted.

CONSIGNEES' NOTICES

SERVICES CONTRACTUELS DES MESSAGERIES MARITIMES

CONSIGNEE NOTICE.

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Damaged Packages will be examined by the Company's Surveyors. Messrs. Goddard & Douglas in the presence of the Consignees at 10.00 a.m. on Friday, the 18th March, 1940.

Consignees must have a Revenue Officer in attendance when any doubtful goods are examined by the Company's Surveyors.

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R. OHL.
Agent
Hong Kong, 1940.

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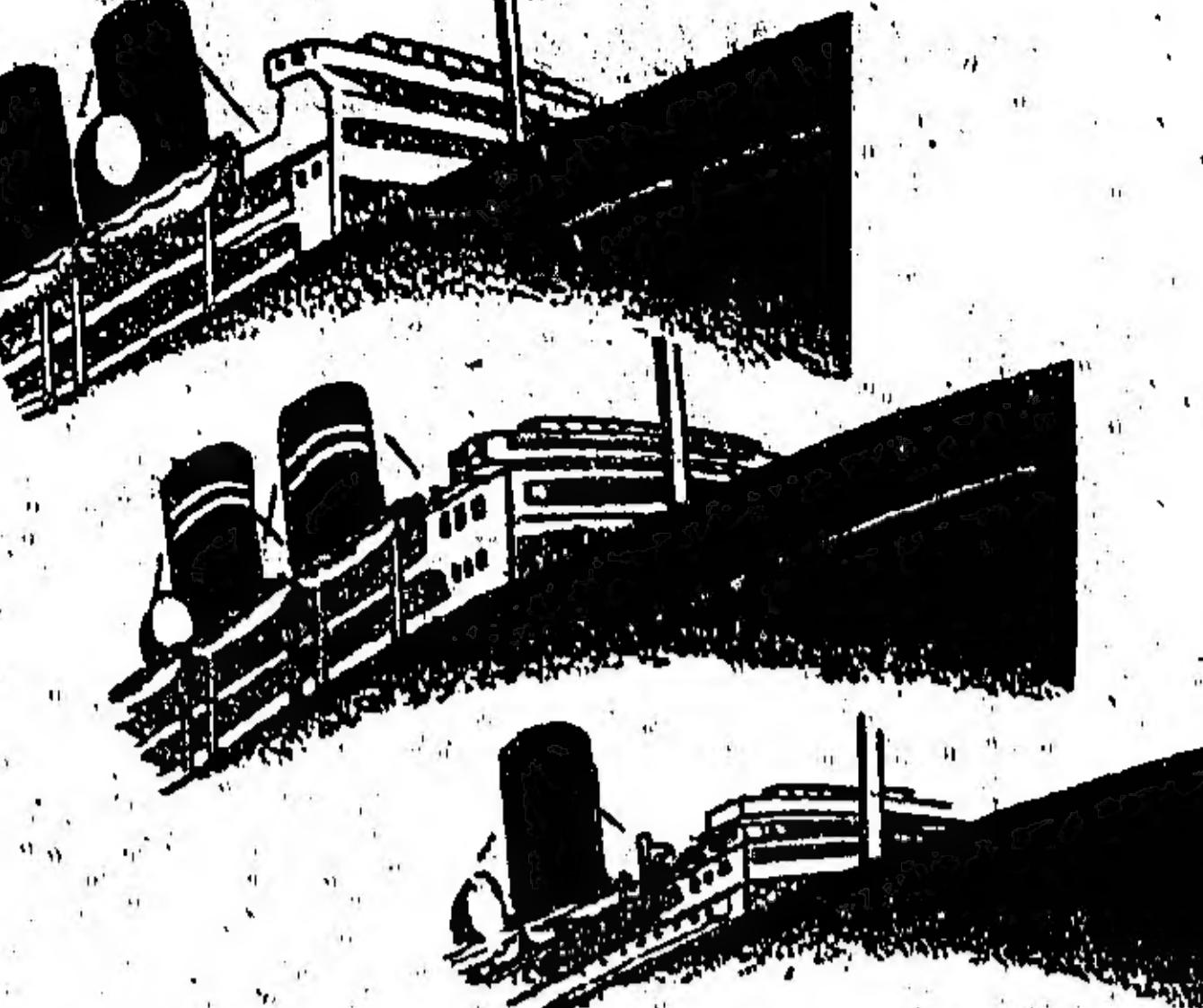
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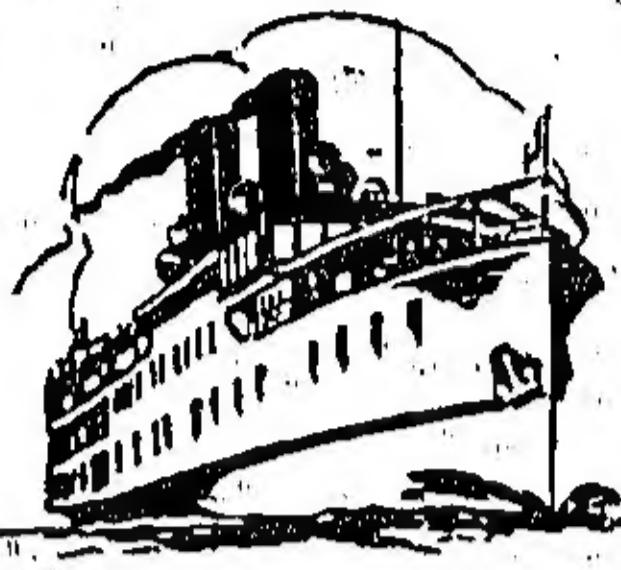
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COUNCIL

Continued from Page 7

Sir, it is in this spirit that, on behalf of my Chinese colleagues on this Council, and on behalf of the Chinese Community we have the honour to represent on this Council. I record my concurrence with the terms of the Resolution now before this Council.

H.E. The Governor's Speech

After the resolutions were approved, His Excellency the Governor said:—

Honourable Members—The fact that Government has been able today to put before this Council the definite proposals which were the subjects of the two resolutions just adopted by the Council discloses that there has been considerable prior discussion of the forms which this Colony's contribution to His Majesty's Government should take in the event of its being made.

That was necessary, so far as the Secretary of State for the Colonies was concerned, on account of colonial regulations and, in respect to the Fighting services, in order to put those wishes into effect without loss of time.

I wish, however, to make it clear that those discussions have been entirely on a contingent basis and that the Colony has not been pledged or committed to any expenditure in anticipation of the Legislature's approval.

WARM APPROVAL

It follows, of course, that the Secretary of State is already aware of this afternoon's transactions in this Council and he has warmly approved them in advance.

I have also been given by him to understand that these gifts be received with very grateful appreciation by His Majesty's Government, by whom they are regarded as a most generous and practical contribution to the common effort that is being made throughout the British Empire towards victory and peace.

BILLS PASSED

The following Bills were then read a second and third time and passed:—

A Bill to amend the Incitement to Disaffection Ordinance, 1939.

A Bill to amend the Merchant Shipping Ordinance, 1899.

A Bill to regulate the closing hours of retail shops.

A Bill to provide for the establishment and regulation of the Hongkong Corps of Air Raid Wardens.

A Bill to make provision for the Administration of Estates by Consular Officers.

A Bill to make such special provision with respect to trade marks as is expedient to meet any emergency which may arise as a result of war.

ATTENDANCE

The following were present at the meeting:—

His Excellency the Governor, Sir Geoffrey Northcote, H. E. Major-General A. E. Grasett (General Officer Commanding), the Hon. Mr. N. L. Smith (Colonial Secretary), the Hon. Mr. C. G. Alabaster (Attorney General), the Hon. Mr. R. A. C. North (Secretary for Chinese Affairs), the Hon. Mr. H. R. Butter (Financial Secretary), the Hon. Cmdr. G. F. Hole (Harbour Master), the Hon. Mr. T. H. King (Commissioner of Police), the Hon. Dr. P. S. Selwyn-Clarke (Director of Medical Services), the Hon. Mr. A. B. Purvis (Director of Public Works), the Hon. Sir Henry Pollock, the Hon. Mr. J. E. Patterson, the Hon. Mr. M. K. Lo, the Hon. Mr. S. H. Dodwell, the Hon. Dr. Li Shu-fan, the Hon. Mr. A. L. Shelds, the Hon. Mr. W. N. Thomas Tam and Mr. C. B. Burgess (Deputy Clerk of Councils).

FINANCE COMMITTEE

The Finance Committee of the Legislative Council, which met immediately after the adjournment of the Council meeting proper with the Colonial Secretary, the Hon. Mr. N. L. Smith, in the chair, sanctioned the appropriation of £100,000 from the general funds of the Colony for a gift to His Majesty's Government, as approved by the Council.

Supplementary expenditure amounting to £291,028 was also approved.

A sum of \$4 from the Poor Box was awarded by a Magistrate, Mr. E. Hinsworth, at Kowloon Court yesterday to a semi-blind old man, Leung Man, 58, who was charged with beggary in Nathan Road. Leung pleaded he had formerly had a license to hawk, but this had been taken away because of his eyesight. He was discharged.

"Keener Spirit Of Service Abroad Among The People"

GOVERNOR PRESIDES AT H.K. BOY SCOUTS' ASSCN. ANNUAL MEETING

Speaking at the annual meeting of the Hongkong Boy Scouts' Association held at Sandilands Hut yesterday afternoon, His Excellency the Governor, Sir Geoffrey Northcote, Chief Scout of Hongkong, commented that for the first time in its history the Association had topped the thousand mark in numbers.

"The fact is, I hope an indication that there is a keener spirit of service abroad among the people evoked by the dangers which threaten the Empire, including the Colony of ours. I feel confident that were the call to come we should have invaluable help from our Scouts," remarked His Excellency.

Mr. E. Cock, M. B. E., President of the Association, addressing the meeting, said:—

"I do not think the year should be allowed to close without a reference of thanks, however inadequately I make it, to some of the many who have as usual devotedly given their time to the Scout Movement in Hongkong.

First the Commissioner standing half in China and half here who absent or present has inspired the others.

Next and Ladies first, Mrs. Booker,

the Assistant Colony Commissioner for Wolf Cubs and with, after her, Mr. Pockson, Assistant Commissioner and indefatigable Honorary Secretary.

The two District Commissioners, Mr. Quak Cheow Cheong for Hong Kong, and Mr. Chan Fook Hong have played great parts in the expansion there has been we thank all of them as well as those working with them.

I, therefore, with confidence propose that Mr. Sollis, Director of Education, be elected President of the Boy Scouts' Association of Hongkong.

COMMISSIONER'S SPEECH

Addressing the gathering, the Rev. N. V. Halward, Commissioner of Scouts, said:—

"The year has been marked by steady progress in many ways due mainly to the zeal and efficiency of district officers combined with devoted services, all voluntarily given by scouts. All through the year A. E. P. work has been to the fore and I think I am safe in saying that the Association is now able to supply a Dispatch Corps, fully trained and sufficient to meet any demands made upon it should there be any need.

For the last three years it has been very difficult for me to feel that I have been pulling my weight to any extent owing to my infrequent visits to Hongkong.

It is therefore, only right that I should acknowledge with gratitude the big debt that the Association and myself personally owe to Mr. Chapman, as Deputy Commissioner, Mr. Pockson, as Assistant Commissioner and Hon. Secretary, and Mrs. Booker, as Assistant Commissioner for Wolf Cubs. The latter has been doing a very valuable piece of work as badge secretary and convenor of the Proficiency Badge Test Committee.

Mr. Wilby, a tower of strength as Editor of the Scouts Gazette, which has now been taken over by Mr. Job, Mr. Sham as Chinese editor, and the office staff, need a special word of thanks also.

A host of friends who act as instructors and examiners, and last but not least, our old friends the Deep Sea Scouts.

GOVERNOR'S SPEECH

Mr. E. the Governor said:—

"The report on your Association's work in 1939 which I have had the pleasure of studying is one of which every Member, from the Commissioner down to the youngest Cub, may justly be proud.

The year has been far from easy for scouting purposes. In the first place training was seriously impeded by the embarrassments imposed by the Sino-Japanese War and latterly Great Britain becoming herself involved in war has led to further difficulties. In these circumstances it is gratifying to the credit of the Association that there has been an increase in troops by 13, in scouts by 223 and in Troop officers by 23.

The effect of that fine growth has been that for the first time in its history the Association has topped the thousand mark and I very warmly congratulate all those to whose hard work and devotion that achievement is due.

Financially speaking it is happily noteworthy that in contrast to 1938 the increase of the Association for the year 1939 exceeded its expenditure, even though the latter was greater than in the preceding period.

Accidents were due to other causes.

EXCITING BADMINTON

Badminton enthusiasts were thrilled last night at King's College when they witnessed the quarter-finals of the Open Colony Singles' championship match between two of the best badminton players in the University "A" team, K. L. Yung and H. F. Chew.

Yung won 8-15, 18-16, 17-15.

So exhausting was the match that the contestants had to stop after one game and let a mixed doubles match take place in between, while the two players rested.

Yung and Chew indulged in a lot of net play and trick drop shots.

Chew played consistently, returning shot for shot.

MIXED DOUBLES

Winners of the mixed doubles match were M. A. Oliveira and Miss M. Silva, of Recreio, with a score of 15-4, 15-8, against T. T. Chin and Miss M. Ding, of the University.

likely candidates for the Colony Badminton Singles' Cham-

FOREIGN MAILS

HONGKONG, FRIDAY, 15th MARCH, 1940, 9.30 A.M.

Small Packet Post to all countries is suspended.

INWARD MAILS

From	Due
Saigon	15th Mar.
Straits	15th Mar.
U.S.A. and Manila—(San Francisco date, 17th Feb.)	16th Mar.
Japan	16th Mar.
Shanghai	16th Mar.
Japan and Shanghai	16th Mar.
Manila	16th Mar.
Shanghai	17th Mar.
Air Mail by "Imperial Airways Direct Service"—London date, 9th March	17th Mar.
Shanghai, Amoy and Swatow	17th Mar.
Saigon	17th Mar.
Haiphong	17th Mar.
Shanghai and Amoy	17th Mar.
Canton	17th Mar.
Japan and Shanghai	18th Mar.
Japan and Shanghai	18th Mar.
Air Mail by "Air France Direct Service"—Paris date, 13th March	18th Mar.
Straits	18th Mar.
Air Mail by "Pan American Airways Direct Service"—San Francisco date, 14th March	18th Mar.
Air Mail by "Imperial Airways Direct Service" London date, 13th March	18th Mar.
U. S. A. Honolulu, and Japan (San Francisco date, 14th February)	18th Mar.
U. S. A., Honolulu, and Japan (San Francisco date, 5th March)	18th Mar.
U. S. A., Honolulu, Japan and Shanghai (San Francisco date, 20th February)	18th Mar.
Japan and Shanghai	18th Mar.
Japan, and Shanghai	18th Mar.
Air Mail by "Imperial Airways Direct Service"—due London 24th March	18th Mar.
Straits	18th Mar.
SATURDAY	
Shanghai	8.30 AM
Dairen	10.30 AM
Tientsin (Parcels only)	11.30 AM
Straits (Parcels only)	12.30 PM
Shanghai	1.30 PM
Air Mail for "Imperial Airways Direct Service"—due London 24th March	1.30 PM
Straits	1.30 PM
SATURDAY	
Amoy	8.30 AM
MONDAY	
Canton	7.15 AM
Tourane, Saigon and Bangkok	12.30 PM
Haiphong	1.00 PM
Canton	7.00 PM
TUESDAY	
Batavia and Sourabaya	10.30 AM
Fort Bayard, and Holloway	1.30 PM
Straits, Ceylon, India, East and South Africa	2.30 PM
Shanghai	5.30 PM
Saigon	5.30 PM
SATURDAY	
Shanghai	8.30 AM
Dairen	10.30 AM
Tientsin (Parcels only)	11.30 AM
Straits (Parcels only)	12.30 PM
Shanghai	1.30 PM
Air Mail for "Imperial Airways Direct Service"—due London 24th March	1.30 PM
Straits	1.30 PM
SATURDAY	
Amoy	8.00 AM
MONDAY	
Canton	7.15 AM
Tourane, Saigon and Bangkok	12.30 PM
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Canton	7.00 PM
TUESDAY	
Batavia and Sourabaya	10.30 AM
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Straits, Ceylon, India, East and South Africa	2.30 PM
Shanghai	5.30 PM
Saigon	5.30 PM
SATURDAY	
Shanghai	8.30 AM
Dairen	10.30 AM
Tientsin (Parcels only)	11.30 AM
Straits (Parcels only)	12.30 PM
Shanghai	1.30 PM
Air Mail for "Imperial Airways Direct Service"—due London 27th March	1.30 PM
Straits	1.30 PM
SATURDAY	
Amoy	8.00 AM
MONDAY	
Canton	7.15 AM